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# ***Daily Report***

## ***Supplement***

# **Sub-Saharan Africa**

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FBIS-AFR-90-174-S

Friday

7 September 1990

# Sub-Saharan Africa SUPPLEMENT

FBIS-AFR-90-174-S

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### INTER-AFRICAN AFFAIRS

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#### \* Impact of Europe '92 Single Market Discussed

90AF0581A London AFRICA EVENTS in English  
Jul 90 pp 42-43—FOR OFFICIAL USE ONLY

[Text] Fifty thousand sugar workers in Mauritius could lose their livelihood as a result of the Single Market Programme the European Community wishes to put in place in 1992.

A barrier-free internal market would open new opportunities for the cheaper strongly supported EC beet sugar. Heavy subsidies have encouraged over-production to a degree that the EC is now the largest free market exporter in the world.

A subsidised sugar glut in the single market will thus increase competition between EC beet sugar and Third World cane sugar within the Community. This will have two sour effects on the fortunes of many traditional producers in poorer countries.

Firstly, easier cross-border transfers of sugar would almost certainly pull prices and margins down and stake out a chunkier share of the market for EC produced beet sugar. EC pricing is set in such a way that beet sugar processing is four times more profitable than cane sugar refining. In 1985, Tate & Lyle, the giant UK sugar refining company made £11.00 profit on each tonne of cane sugar, while its competitor, British Sugar pocketed £46.00 for a tonne of beet sugar.

Refiners' preference for the more profitable beet sugar would bottleneck the access of cane sugar exports into the Community. Jobs and livelihoods would disastrously suffer in poor producer countries such as Mauritius, Jamaica and Swaziland.

Apart from drastic job losses, EC sugar policy would have another unsavoury effect. Lower prices and lower volumetric exports would seriously slash foreign exchange earnings.

A slump in poor countries dollar earnings would only hamper development and worsen the debt problem. Major exports from the African, Caribbean and Pacific (ACP) countries to the EC dropped in value by 37 percent between 1980 and 1987. Nine commodities still account for almost 81 percent of the total earnings of ACP.

A debate in EC Parliament in May exposed the divisions in the members' thinking on the effects of "Fortress Europe" on the economies of poor commodity-exporting ACP countries.

Discussing the ratification of the new Lome Convention IV, Leo Tindemans of Britain welcomed it as an improvement on Lome III to an extent of 25 percent in resources, adding that the mechanisms for supporting the export earnings of ACP on a range of basic agricultural commodities and mining activities had been enhanced.

In contrast Giorgio Napolitano of Italy lamented the worsening lot of the Africans and pointed out the negotiations with ACP partners had not been between equals. Michael McGowan of Britain expressed concern that financial package was not sufficient and accused the EC of deciding upon the amount without proper negotiation, ignoring the demands of the ACP states and EC Parliament and, above all, the real situation in the ACP.

The EC, the world's largest trading block, with an internal market of 323m people, accounting for nearly a fifth of world trade, operates two levels of reduced tariffs of trade. The first one is the Generalised System of preferences for all developing countries, and the Lome Convention for 66 countries of Africa, the Caribbean and Pacific. In addition, there are Protocols that offer special treatment for a few commodities from poor countries, such as sugar and beef.

Despite the highly preferential trading concessions extended through the Lome Convention, an unprecedented fall in export earnings occurred in the 1980s for underdeveloped countries. ACP suffered a massive loss of US\$100bn. This loss to ACP represents a gain to industrialised countries which have made use of it to finance their own domestic growth. It is a gain because they have paid out that amount less for their imports of raw commodities.

This negative shift in the terms of trade and the resulting pernicious transfer of resources from the poor to the rich countries is putting pressure on the former to sell more, especially more so when most of these countries are facing a debt crisis. Increased supplies only serve to reinforce the slide in world prices.

Unfair terms of trade apart, EC operates a range of restrictive trade practices that sharpens the problems facing poor countries. Though EC can rightly claim that nearly all products from Lome countries do enter free of tariffs, products grown under the EC's Common Agricultural Policy are excluded.

Other non-tariff restrictive practices include health restrictions, labelling standards and anti-dumping measures. The most damning non-tariff barrier is the Multi-Fibre Arrangement (MFA) which attempts to restrict textile exports to the EC from developing countries but leaves the door open to exports from rich industrialised countries.

Though the fourth MFA expires in July in 1991, it seems likely the EC will negotiate a new MFA with Community-wide quotas to continue well beyond 1992. Textiles are some of the easiest industrial products to make, and are therefore vital to some of the poor countries. A renewal of MFA would only push these countries deeper into debt and ruin further their development programmes.

ACP and other Third World countries' trading position with the EC is one of heavy disadvantage, as it is. If things are not to worsen, and those countries are to share

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in the enhanced prosperity of a Single Market Europe, a new package on trade relations has to be worked out. This should pay attention to the marketing of sugar, bananas and textiles after 1992, greater consultation with poor countries over the Single Market programme,

positive assistance for poor countries to adjust to it and the setting up of a Joint Third World/EC think tank to monitor the effects of the Single Market on the poorer economies.

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## CENTRAL AFRICA

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## Chad

**Libya Said Involved in French DC-10 Bombing**

AB2908143690 Paris LE POINT in French  
No. 936, 27 Aug 90 p 30—FOR OFFICIAL USE ONLY

[Text] We now know who bombed in midair the UTA DC-10 flight from Brazzaville to Paris which resulted in the death of 170 passengers. This crime, which took place on 19 September 1989 over the Tenere desert, was one of the deadliest ever committed against the French—a Chadian minister and the wife of the U.S. ambassador to Chad were among the victims. President Mitterrand was informed of this case, an ultraconfidential one involving another "hot" Middle East country almost on the same day he was told of Iraq's invasion of Kuwait.

According to information collected secretly in Africa by Judge Bruguiere and agents of the Bureau for the Surveillance of the Territory and the Criminal Investigation Department, the crime was committed by three Congolese opposed to the Brazzaville regime, who were manipulated and "equipped" by Libyan specialists. The brain behind the operation was, reportedly, an official of the Libyan Embassy in Brazzaville. This information must be treated like unstable nitroglycerine....

For almost a year, Judge Jean-Louis Bruguiere, who was in charge of the preliminary investigation, carried out an enormous task. Dozens of French soldiers picked up, in the middle of the Sahara, in the sweltering heat, the remains of passengers and scattered pieces of the plane wreckage. The pieces were stored with the care of an entomologist in a warehouse of Le Bourget airport. This made it possible to reconstitute the exact place inside the plane where the bomb exploded and to establish that it was placed in a luggage container at the point of departure, Brazzaville. Next, they found the remaining pieces of the suitcase which carried the bomb: it was a Samsonite, a "Silhouette 2000" model. A factory based in Denver, Colorado, produced 5,000 of that model between 1982 and 1985. The judge, of course, also studied the list of passengers. The name of a certain Appolinaire Mangatany, a Congolese national, was on the list, at the departure from Brazzaville but his body and several others could not be identified. Thus, it is not known whether he died in the blast or whether he got off the plane at Ndjamena. The nine passengers, who "miraculously escaped the blast" by getting off the plane at Ndjamena, could not all be found. "This is due to the mess in African airports," a local investigator commented... It has just been learned that Mangatany was accompanied to the airport by a friend, Bernard Yanga, and that he "bought" his suitcase only a week before his departure.

In fact, the Congolese police, who are very secretive, had discovered the secret months ago, but Judge Bruguiere found it out only after a lengthy investigation during which he had to use all the ropes and finesse of diplomacy. He had to go three times to Congo, once to Chad

and to Niger, in addition to a visit to the Samsonite factory and several "meetings" in Europe to finally discover the truth. Finally, cooperation between the French and Congolese worked well. The magistrate learned that Mangatany rapidly became a suspect, because, according to the Congolese, he received training in handling explosives in Libya, an obviously suspicious circumstance...

As "Appolinaire" had disappeared, the Congolese Military Police arrested his friend Yanga on 20 January 1990. After seven days in custody, he "started to talk." He even gave the name of a third accomplice, a certain N'Galina, the pyrotechnist of the group who has reportedly fled to Zaire, and he gave a detailed report on the crime. Yanga and his two friends belonged to a political group opposed to the Congolese regime which had been taken "under control," for several years, by Libyan agents posted to Brazzaville. They had, he said, decided since 1986, to prepare a crime against French interests in Africa in order to "punish France for its policy in Chad." But, according to Yanga, things became really serious with the arrival in Brazzaville early 1989 of a new diplomat at the Libyan People's Bureau (LPB) (the name given by al-Qadhdhafi to his embassies) of Congo. Abdallah Elazrag, that was his real name, seemed to be a "tough guy." According to Yanga, he was the one who supplied the booby-trapped suitcase to the small group at the end of August 1989. The bomb was set by the famous N'Galina, but Libyan "experts" reportedly came to Brazzaville especially to study the details of the operation. According to Yanga, the scenario was as follows: Mangatany was to "accompany" the suitcase to Chad and to get off the plane in Ndjamena. The bomb was expected to explode on the ground when the plane would be standing empty on the tarmac. This scenario, curiously enough, reminds us of another bomb attack by the Libyans at the same Ndjamena airport in 1984. There had been no casualties.

But this time, Mangatany apparently was not aware that a plane is never empty when it is just on a simple stopover. What happened? Did the directives change? Was Mangatany lured into a trap by his partners? Did he die in the plane? Nobody knows... In fact, Yanga repeated his confession in front of the French police, who interrogated him at length in Brazzaville at the end of July. On that day, the judge's final mission to Brazzaville finally opened up the investigation, and all the verifications fell into place. A Libyan diplomatic suitcase actually arrived in Brazzaville at the end of August 1989. A few days later, on 8 September, another "important diplomatic pouch" was also delivered to the Iranian embassy. On 19 September, the day of the plane explosion, two Libyan diplomats and an Iranian suddenly left Congo. The intelligence services were therefore wondering whether Colonel al-Qadhdhafi's services were not "subcontracting" this attack for the Iranians and the Syrians. At that time, it is known that France had provoked the anger of Iran and Syria by sending military ships off the coast of Lebanon to receive wounded

persons, a "strictly humanitarian" operation conducted by Secretary of State Bernard Kouchner.

But Col. al-Qadhdhafi is capable of having carried out this terrorist operation all alone. It would not be the first time he has used terror as a political weapon. He narrowly escaped death during the American bombing of Tripoli that Reagan decided upon as punishment for attacks against the "boys" in Berlin—a bomb that his emissaries deposited in a night club patronized by American soldiers left two dead and more than 200 injured in August 1986.

Following unrefutable proof collected by the CIA, President Reagan decided on a punitive raid against the master of Tripoli. The boisterous colonel was also caught red-handed supplying heavy weapons to the IRA of Ireland—a large cargo [ship], the "Eksund II", intercepted by French custom officials in the English Channel on 30 October 1987, containing more than 1,000 Kalashnikovs, 20 SAM-7 missiles, and so on. Investigations determined that that cargo was the fourth sent by Al-Qadhdhafi to the IRA terrorists. And Judge Bruguiere, who also investigated that case, even issued an international warrant in November 1989 for six Libyans, including a pseudo-diplomat, Nassir Aenur, a colonel of the intelligence service. Judge Bruguiere, in actual fact, has become an international specialist on Libyan terrorism....

Concerning the French DC-10 plane explosion, Libya's participation seems, in any case, certain. One cannot really see why the Congolese authorities would fabricate such a story involving their own citizens. Moreover, the details and the accurate revelations made by Yanga are

more than disturbing. An examination of the identities of the "Libyan diplomats" and of the correspondence between the group and the Libyan embassy revealed unrefutable proofs. The Congolese authorities also stated that they did not inform us earlier because they wanted to conclude their own investigations. The military security service, in particular, would have wanted to arrest the group's deviser, who apparently fled to Zaire.

Why would al-Qadhdhafi have wanted to hit at France at that time? Of course, France has always been opposed to his troops in Chad—through the Manta military operation which is still in place—but al-Qadhdhafi, on 31 August 1989, had signed an agreement with its adversaries. And France had played intermediary. Is it another manifestation of the famous cynicism of the colonel, who is capable of smiling with his enemies and at the same time stab them in the back? It was also discovered that the exiled leader of the Libyan opposition, Yusuf al-Magariaf, founder of the National Front for Libyan Salvation, should have been on that plane. But he postponed his trip at the last moment.

In Congo, nobody is discussing "officially" this new track in the DC-10 explosion. Tongues are beginning to wag. As for the Apollinaire Mantagany family, LE POINT found them living at the end of a street in a populated area in a suburb of Brazzaville. According to his sisters, Apollinaire was only going to France to "buy jewelry and ladies' dresses." He was not involved in anything and they do want to hear about this matter any longer, simply demanding that "their grief be respected," because they are sure that he died in the plane explosion. In any case, among the 170 passengers, he was the only person who, at the fatal time of the explosion, must have understood what was happening.



## Kenya

**\* 1990-91 Budget Said To Please Business Community**

90AF0544A London AFRICAN BUSINESS  
in English Aug 90 pp 35-36—FOR OFFICIAL USE  
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[Article by Blamuel Njururi]

[Text] Kenya's 1990/91 budget—officially styled "Enhanced Economic Growth Through Export Promotion"—has been well received by the country's business community. For the man in the street, it costs less to drive and more to drink; for the businessman, the corporate tax rate is down.

Presented by Vice-President & Minister for Finance George Saitoti on 7 June, the budget envisages gross expenditure in the amount of KSh3.96bn ([Kenya Shillings] KSh79.2bn or \$3.44bn) during the 1990/91 fiscal year. It forecasts a 5.2% rate of economic growth in the 12-month period, which runs from 1 July 1990 to 30 June 1991.

Saitoti lowered the value-added tax (VAT) on motorcars and minibuses by between 2% and 60%.

He increased the price of ordinary beer and stout by 25 Kenya cents per half litre, while the price of export beer goes up by 15 cents a bottle.

The corporate tax rate falls from 42.5% to 40%, and manufacturers which participate in the new export-processing zone (EPZ) are to benefit from a tax holiday (see box) [not reproduced].

However, fringe benefits accorded employees by their employers are now to be fully taxed as part of personal income, although upon retirement the employees can now enjoy higher tax-free pensions.

Cooking appliances are now cheaper, since their import duty is lower by between 5% and 25%.

Under the VAT Act, Vice-President Saitoti reduced the number of tax rates above 17% from 15 to six and raised the general rate of tax from 17% to 18% on items other than essential goods. Other items, mainly raw materials and capital goods, which have been zero-rated are to be taxed at 5%, while exports of selected services are now placed under the zero-rate structure.

Under the new VAT rates, the fees paid on imported motor vehicles with an engine rating of up to 2,000 cubic centimeters are increased from KSh5,000 to KSh10,000, while those on vehicles rated at more than 2,000cc rise from KSh5,000 to KSh20,000.

However, the VAT on passenger cars was reduced when the rate for those with an engine capacity not exceeding 1,500cc [cubic centimeters?] fell from 20% to 18%. For vehicles whose capacity is between 1,500cc and 1,800cc, a rate of 30% instead of 35% applies, while those rated at

between 1,800cc and 2,000cc are taxed at 45% instead of 50%. The tax rate for cars with a capacity of more than 2,250cc falls from 210% to 150%. While the VAT rate on minibuses of 1,500cc or less remains unchanged at 35%, that for those with a capacity of 1,800cc-2,000cc falls from 70% to 50%, and that for those exceeding 2,000cc falls from 85% to 80%. Also reduced is the VAT on stub axles, from 50% to 18%.

The 17% tax on bakery machinery and parts and on acetylene has been abolished. Industrial compressors are exempted from VAT, while aluminum plates are now under the zero rating.

**No More Delayed Tax Payments**

In proposing income-tax changes, Vice-President Saitoti announced that the previous system—under which businesses pay part of their tax three months after their accounting year—is to be phased out over a period of five years. Instead, he said, business firms are to be required to pay 75% of their estimated tax at the end of their third quarter of trading, starting in September.

Employees enjoying lightly taxed benefits, such as company cars, are to be subject to full taxation on these perks, while the tax deductions previously allowed for the cost of vacation trips and club fees are now discontinued.

However, contributions by employers and employees to registered pension schemes and provident funds are to be tax deductible but subject to a limit, while the tax-free limit on pensions rises from KSh5,000 to KSh7,500 per year.

To accelerate the growth of the capital market and to encourage companies to raise financing through shares and stocks rather than by borrowing commercially, the withholding tax of 15% on dividends and 10% on interest income earned is now defined as a "final tax", thus "reducing double taxation".

Where the dividends and interest are earned from investments in unit trusts, the same measure applies; hence, the earnings are not subject to corporate tax.

However, dividends and interest income accruing to tax-exempt persons—such as for the pension plans—are not subject to the withholding tax.

The Vice-President declared that unit trusts are useful investment intermediaries for small investors who do not have sufficient knowledge about individual companies.

The budget abolished the stamp duty on transactions for shares quoted on the stock exchange and allowed legal fees and other costs of public issues of shares, debentures and bonds to be deducted.

Under the miscellaneous taxes and fees, the licence fees for banks and financial institutions rise by between 10%



and 15%, while trading licence fees rise by 10%. Export duty on scrap metal goes up from 10% to 20%.

The Vice-President expressed the government's concern about duty and tax evasion and enumerated measures intended to plug loopholes through which the government loses revenue.

#### Tax Fiddle Exposed

He gave an example. Sometimes, in respect of transit goods, a local importer files a suit in the Kenyan High Court—while the goods are in Kenya—for an unpaid debt purportedly owed by an importer in a neighboring country. Up to now, the goods are often eventually released to the plaintiff. To seal this loophole, the Vice-President directed that any transit goods attached in this manner should be purchased or sold only on the condition that they are to be re-exported within the transit period; otherwise, they are to be "condemned".

Saitoti declared that the measures he had outlined in the budget should stimulate export-oriented farming and manufacturing, should favor the rapid development of capital markets and should encourage small industries to set up in rural areas.

"These actions will consolidate the achievements under our structural-adjustment policies and will ensure the dynamism of the economy as we enter the decade of the 1990s," the Vice-President declared.

#### \* Conflict Over Turkwell Dam Funding Reported

90AF0529A Paris THE INDIAN OCEAN  
NEWSLETTER in English 28 Jul 90 p 7—FOR  
OFFICIAL USE ONLY

[Text] While the flooding of Turkwell Dam on the River Suam 650 kilometers north-west of Nairobi is already well underway a shadow has been cast over relations between the main operator, French firm Spie Batignolles and the Kenyan authorities. Although France is committed for the majority of the financing for the project, Kenya had agreed to put up about 250 million shillings (about eleven million dollars). But, according to information obtained by The Indian Ocean Newsletter, it appears that Nairobi is unable to amass 150 million shillings (about six million dollars) of the 250. Spie Batignolles' directors are concerned that their profit margin is going to be dealt a hefty blow as a result of this situation, and have taken the matter up with the French Embassy in Nairobi, as well as discreetly approaching Kenya's Minister of Energy, Nicholas Biwott. Nevertheless, at the time of going to press, it seems that these moves have been to no avail.

Meanwhile, Mr Biwott has decided to send forty members of the General Service Unit (GSU) to remain permanently on the dam to ensure security. He is also said to be considering endowing the site with an anti-air attack defence system.

#### Somalia

#### \* Second Manifesto Calls for 'Caretaker Council'

90AF0624A Paris THE INDIAN OCEAN  
NEWSLETTER in English 14 Jul 90 p 6—FOR  
OFFICIAL USE ONLY

[Text] For a few weeks now, a second Manifesto has been circulated in Mogadishu. This document, in Somali, supports the position of the authors of the first Manifesto from the Council for National Reconciliation and Salvation (CNRS), but appears to emanate from a different opposition movement. It defines, with precision, conditions for a process aiming to achieve a democratic revival, calling for in particular, a national conference to be held, gathering all political leaders in the country including members of the current government, others from the Central Committee of the Somali Revolutionary Socialist Party (SRSP), representatives of the armed opposition, independents, elders, etc. This conference, it is hoped, will decide on a transfer of power, notably by the creation of a "caretaker council" which would undertake to deal with government affairs during a transitional phase, during which discussions for the preparation of the new Constitution would be suspended as well as the laws prohibiting freedom of expression for the people. The second Manifesto is a call both to armed opposition Fronts and to government forces, demanding the latter to prove their responsibility by not opposing the democracy process.

The process put forward by the second Manifesto is said to have been well-received in various circles, including by several within the higher echelons of the administration and the Armed Forces. It could, henceforth, at least in theory, constitute the basis for a possible compromise. A third Manifesto, this time, stipulating a schedule for democratic transition, is allegedly being drawn up. Meanwhile, according to information obtained by THE INDIAN OCEAN NEWSLETTER, President Siad Barre may have jailed opponents who penned the first CNRS Manifesto, released. The Somali President could thus push the blame for their arrest, made while he was on an official visit abroad, on his Prime Minister Mohamed Ali Samantar, and his Minister of the Interior, Ahmed Suleiman Abdallah. It is nevertheless highly unlikely that these two Ministers could have acted without the President's approval.

#### Tanzania

#### \* Mkapa Rejects IMF Political Pressure for Aid

90AF0528A Paris THE INDIAN OCEAN  
NEWSLETTER in English 28 Jul 90 p 6—FOR  
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[Article: "Strong Reaction to External Pressure for Change"—last paragraph printed in italics]

[Text] Tanzanian Minister of Foreign Affairs, Benjamin Mkapa, told the Parliament on 14 July that the condition

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## EAST AFRICA

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imposed by the IMF and the World Bank for the release of aid, that is, the introduction of a multi-party political system was an "imperialist" and "unacceptable" attitude. "We reject and will continue to reject such conditions until the people of Tanzania decide independently and unanimously [...] to change the political system," he said. He recalled that changes introduced in the economy of the country were not, in his view, a reflection of developments occurring recently in Eastern Europe. Members of Parliament were apparently unanimously in favour of the minister's speech which was reported by the Sunday edition of the government daily newspaper, DAILY NEWS.

## I.O.N.

Although Benjamin Mkapa is a strong supporter of Julius Nyerere, his declarations are not a sign of an oncoming "anti-imperialist" campaign like in the 70's. Ever since it implemented its Economic Recovery Programme, Tanzania has been, working closely with the international financial institutions. Hugely indebted (with 1.5 billion of its 5 billion external debt in 1989 were rescheduled or cancelled), Dar es Salaam is reliant on foreign aid. In 1989-1990, 35 percent of State spending was covered by such aid. For 1990-1991, this percentage is expected to rise to 42 percent. Thus a few days after the foreign minister's "tirade," his counterpart at the Ministry of Finance, Steven Kibona, gladly announced 1.7 billion dollars in external aid to assist in financing the 1990-1991 budget. However, Benjamin Mkapa's comments, show a certain anxiety on the part of the government in the run-up to the elections which will be held in a one-party context.

## \* Success of New P-SAP Strategy Questioned

90AF0547A London AFRICAN BUSINESS  
in English Aug 90 pp 12-15—FOR OFFICIAL USE ONLY

[Article by Colleen Lowe Morna]

[Text] Tanzania, once renowned for its social services—if not for its brilliant economic performance—is making a determined bid to revive these social sectors, which have suffered serious neglect under the country's four-year-old Economic Recovery Programme (ERP).

The plans are highlighted in Tanzania's second ERP. ERP Two succeeds the first ERP, which ended last year.

Now under implementation, the second ERP has been rechristened the "Economic & Social Action Programme".

Unlike the first ERP, which made no mention of the social sectors, the second one, which also runs for three years, contains a distinct "Priority Social Action Programme", now commonly referred to in Dar es Salaam as the "P-SAP".

Officials deny that the first ERP is the cause of the present dismal state of social services in the country. They point out that the downslide began with the chronic economic problems experienced by the country in the early 1980s.

But they note that the ERP did little to alleviate the problems, which now urgently need to be addressed.

"What sort of government are we?"

"What sort of government is it that is spending less on education than it did 30 years ago?" asks the Vice-Chairman of Tanzania's Economic Planning Commission, Professor K. A. Malima. "You can't starve the cow that you are later going to milk."

"There is now a general awareness", adds a senior UNICEF [UN Children's International Emergency Fund] official in Dar es Salaam, "that you can't build an economy on people who are chronically ill and don't have an education."

As a result of Tanzania's socialist thrust in the past, the country was one of the few African states to achieve universal primary education in the early 1980s, according to the UNICEF official. And "in 1988, two years ahead of the global goal," she recalls, "Tanzania achieved universal child immunization."

However, between the late 1970s and the mid-1980s, the economy slid into recession, thanks to a combination of misguided economic policies, the war with Uganda, the breakup of the East African Community and declining global commodity prices.

The IMF—and World Bank—sponsored structural-adjustment programme, which began in 1986, has put the country back on a positive growth trend; GDP expanded by 4.1% last year, compared to an official population growth rate of 2.8% for the same year. Improvements have been especially noticeable in agriculture, where the country has moved from food deficit to food surplus.

However, briefing a group of two dozen foreign journalists who visited Tanzania recently, President Ali Hassan Mwinyi noted: "During the first phase of the ERP, we had to put a great emphasis on increasing production. It was not possible at the same time to put equal emphasis on the rehabilitation of the social services. The result is that essential services have sharply deteriorated."

According to UNICEF figures, real per-capita expenditure on education declined from Tsh30.20 [shilling] per head in 1980/81 to Tsh16.40 (11.4 U.S. cents officially in 1989) in 1988/89. The equivalent drop for health is from Tsh13.90 to Tsh9.90 per head. The percentage of the budget spent on these two sectors over the period went down from 20% to 16%.

The consequences of this sharp decline are painfully evident on the ground. At the health post in Kinondini,

one of Dar es Salaam's working-class suburbs, the medical officer on duty reports that she has only 15% of the drugs she needs for the 500 patients that stream daily through the dilapidated building, which has not received regular maintenance repairs for 13 years.

Most patients, she told AB, are now forced to seek out private doctors and medicines, at enormous cost.

At the primary school next door, the headmistress reports that she has 967 children sharing seven classes—an average of about 138 pupils per classroom. Since the school does not run double sessions, two or three streams must either share a classroom at one time or sit outside under the trees.

The school has no desks or chairs, and books have to be shared one to every 13 pupils. Although the school boasts 25 teachers, they earn an average salary of Tsh3,000 (officially \$15.75, unofficially \$9.38) a month. Few of the teachers were to be found on duty the day AB visited the school at midday.

It would be impossible, according to the UNICEF official, to redress this chronic state of affairs in the next three years. However, the Economic & Social Action Programme does hope, she explains, to be able to "arrest further decline in the social sectors".

Unlike Ghana's Pamsad—the first African-conceived social-security component of a structural-adjustment programme—Tanzania's P-SAP "is fully integrated into the ERP", the UNICEF official notes. "One thing we have learned", she adds, "is that it is difficult to achieve social objectives unless they are part and parcel of the overall programme."

Thus, a primary objective of the second ERP, according to Professor Malima, is to see how budgetary resources can be shifted back to the social sectors, by improving efficiency in other areas.

During the second ERP, for example, the government hopes to make substantial cuts in spending on the civil service, which is to be streamlined, and on the parastatals, many of which are slated for either dissolution or privatization. These resources could then go into areas like education and health.

A small start has already been made in the 1990/91 budget, read in June. While the bulk of spending (42%) is allocated to transport and infrastructure, education and health have gone up from 16% of the 1989/90 budget to 22% in the one for this year.

Some \$314.65m is also expected from donor sources. According to a government document on the P-SAP, \$179.69m of this sum is expected to come from money already in the pipeline; the World Bank, for example, is to provide about \$50m for the health and education sectors. The remainder is still being sought.

Priority projects include providing basic materials for schools, restoring an adequate supply of drugs and

health-care equipment to hospitals and ensuring a steady supply of food to the urban areas, so as to reduce huge price variations.

With the impending cuts in civil-service and parastatal jobs, the P-SAP also hopes to foster jobs in the small-scale manufacturing and service sectors, as well as to provide a "safety net" for those who can't find new jobs.

#### \* Marketing Constraints Slowing Agrarian Recovery

90AF0547B London AFRICAN BUSINESS

in English Aug 90 p 15—FOR OFFICIAL USE ONLY

[Article by Colleen Lowe Morna]

[Text] Considerable efforts are to be made in 1990 towards a further liberalization of agricultural marketing in Tanzania. Inefficiency in the marketing system has been one of the main constraints holding back recovery in this vital sector, Agriculture Minister Stephen Wassira acknowledges.

Although as part of the country's four-year-old IMF—and World Bank—sponsored Economic Recovery Programme (ERP) prices to farmers have been hiked, most of the increases have been absorbed in the country's inefficient marketing boards, the Minister admitted to AB [AFRICAN BUSINESS] in a recent interview.

#### More Consumer Goods Are Available

The much-lauded 4% to 5% expansion in the agriculture sector during the first three years of the ERP, the Minister further concedes, is a reflection of the greater availability of consumer goods like bicycles and radios in the rural areas. It is these goods, he says, that give farmers an incentive to sell their crop—not the fact that they have been earning more shillings.

"We are trying to reduce marketing costs, so that increases in producer prices actually go into the farmers' pockets," the Minister points out.

Continued restructuring of agricultural marketing during the second phase of the ERP, inaugurated this year, is essential, a government document acknowledges, "to reverse the current situation characterized by inadequate rewards to farmers, the poor export performance of traditional crops and excessive monetary and credit expansion, resulting in inflationary pressures".

Some adjustments have already been made—notably with regard to the marketing of food crops. Marketing restrictions have now largely been removed, and farmers are now allowed to choose whether they sell directly to the parastatal National Milling Company (NMC) or alternatively to private traders. Before, they could legally sell only to the co-operative unions.

Because most of the co-operatives are in debt, Minister Wassira notes, "they could not compete with the private traders, who paid less, but had cash up front."



FBIS-~~AFR~~-90-174-S  
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## EAST AFRICA

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The net result of the liberalization is that more grain has been reaching the market. Maize procurement, according to the Minister, went up from 178,000 tonnes [t] in 1985/86 to 227,000t in 1987/88.

A further streamlining of the NMC—one of Tanzania's biggest loss-makers - is envisaged later this year, following the completion of a study currently being undertaken.

According to the government's confidential "Economic & Financial Policy Framework" for the next three years—a copy of which AB has obtained—the aim of the restructuring is to effect public-sector cost cuts through "a reduction in the number of NMC branches, staffing levels and NMC participation in non-grain-related activities".

Beginning next season, according to the document, the NMC is to "operate commercially on each crop, meaning that it will only purchase [crops] when it expects to do so profitably".

NMC activities intended to attain social benefits, the document adds, will henceforth have to be financed directly from the government budget.

Private marketing of foodstuffs is also to continue to be encouraged.

#### Export Crops Are a Bigger Problem

Export crops present more of a problem. Because of the government's sensitivity over the smuggling of precious foreign-exchange earners to any one of Tanzania's eight neighbors, farmers have been forced to sell their crops to the co-operative unions, which in turn sell them to the marketing boards.

Apart from the double costs, double borrowing and double bureaucracy involved which limit the amount of money that trickles through the system to the farmer—declining commodity prices have also made export crops increasingly unattractive.

The result, Minister Wassira confirms, is that "except for cotton, which recorded high increases, other export crops have stagnated during the ERP period".

While external factors and transport constraints have been a serious problem, the Minister openly concedes that poor marketing arrangements are also a principal cause.

As a first step towards rectifying the situation, the government has announced that the co-operatives are now permitted to sell their crops directly to buyers. The marketing boards act simply as agents or brokers in the deal. This change eliminates one link in the purchase chain and means that the marketing boards no longer need to borrow money to purchase the crop from the co-operatives.

It also means that whatever profits accrue from the sale go directly to the co-operatives. In theory, it means that the profits go directly to the farmers, who after all belong to the co-operatives—but in practice, much depends on the efficiency of the co-operatives involved. Many are quite inefficient, and any profits accruing to them are slow in making their way on to the farmers themselves.

Owing to the inefficiency of many co-operatives, moves are also under way to allow more private participation in the marketing of export crops.

#### Straight to the Auction Floor

Thus, according to the confidential framework document, farmers—either individually or through their associations—and estate owners will be able, from the end of July, to send their coffee directly to the auction floor, under their own names. The Coffee Marketing Board (CMB) is to cease purchasing coffee altogether and is to act merely as an auction administrator.

Similarly, cotton growers are to be free to sell to private agents or even to sell their cotton directly to buyers, with the role of the Cotton Marketing Board reduced to one of administering lint tenders, maintaining quality and supplying market intelligence.

The government, according to the document, already allows private traders to operate in the cashew-nut sector, and they are to continue to be encouraged.

Also this year, the government is to initiate measures to liberalize marketing channels for the procurement and distribution of inputs. Fertilizers, which are to be put under the Open General Licence list, are expected to become more readily available—but plans to phase out the government subsidy on fertilizers over a five-year period could affect some farmers adversely.

### Uganda

#### \* NRC Passes Law 'To Restore Morality'

90AF0402A Paris MARCHES TROPICAUX  
ET MEDITERRANEENS in French 29 Jun 90  
p 1911—FOR OFFICIAL USE ONLY

[Text] The interim Ugandan parliament, the National Resistance Council (NRC), on 21 June promulgated severe laws to restore morality in the country. Included is a law making a death sentence mandatory for anyone guilty of abducting a minor under age 13 or using illegal means to corrupt an idiot or an imbecile.

The new law also provides heavy penalties for any form of abduction, whether for sexual relations or not, of anyone under 18 years of age. The new law targets a series of immoral acts with penalties aimed at protecting the family and defending women and children against sexual abuse and illegal prostitution.



The minister of justice and attorney general, Professor George Kanyeihamba, stated that the law would establish control of the spread of sexually transmissible diseases and better protect the most vulnerable segments of the population, notably women and children.

#### \* Economic, Human Rights Progress Reviewed

90AF0476A Paris MARCHES TROPICAUX  
ET MEDITERRANEENS in French 13 Jul 90  
pp 2041-2042—FOR OFFICIAL USE ONLY

[Article by Andre Lagarde: "The Rebuilding of Uganda"]

[Text] Last January Uganda celebrated the fourth anniversary of Yoweri Museveni's regime, which came to power under the banner of the National Resistance Movement (NRM). The Ugandan president's position, initially insecure, today seems solidly established. He even attended the La Baule summit and spoke up during the closed sessions to explain his concept of democracy.

The NRM, which from its beginnings evinced a determination to reform Uganda, is now wrestling with the problems involved in rebuilding a crippled government and economy. And the country is recovering, albeit slowly. However, public order has not been fully restored. Rebellion continues in the east and north, although it appears to be winding down. On the economic front, international donors have demonstrated their new-found confidence in Uganda by providing significant financial support. But the collapse of the coffee market and the cost of reconstruction weigh heavily on the country's financial condition.

Uganda's close geographical proximity to the conflict in Sudan has forced it to become pragmatic—despite earlier assurances it had given (at least verbally) to Libya and other promoters of "anti-imperialism"—and to refrain from excessively militant rhetoric that might be construed as hostile.

#### Economic Recovery

A few statistics give a good picture of the economic devastation produced by 10 years of civil war, as well as the progress made since 1986 in what formerly was one of the most prosperous colonies in the British Empire.

Uganda has 17 million inhabitants, spread over an area of 237,000 square kilometers. The GNP (Gross National product) is close to \$4.7 billion. An estimated 750,000 people have perished over the last 20 years in civil war. Tea production declined from 25,000 tons in 1973 to 3,700 in 1988. There were 5.2 million head of livestock in 1979, but only 3.6 million by 1981. Most of the country's income is from coffee, cotton, and tea.

As elsewhere, coffee—160,000 tons in 1987—has declined on the world market. Export earnings have accordingly fallen off, from \$397 million in 1986 to \$263 million in 1988 and \$200 million in 1989. Since Uganda

is landlocked, its exports and imports are dependent on the Kampala-Nairobi-Mombasa road. Efforts to redirect commerce southward (Lake Victoria—Tanzania—Dar-es-Salaam) have had little success.

Uganda's main trade partners are:

- exports: United States, 33 percent; United Kingdom, 16.6 percent; France, 9.8 percent; and West Germany, 7.6 percent
- imports: United Kingdom, 22.5 percent; West Germany, 20.4 percent; Italy, 10.9 percent; and Japan, 9.8 percent.

A 1989 agreement with the International Monetary Fund IMF calls for 5 percent annual economic growth between 1989 and 1992. Uganda, whose economic policy thus far has been satisfactory to the Bretton Woods institutions, is accordingly the beneficiary of an expanded Structural Adjustment Facility totaling 179 million SDR (Special Drawing Rights).

In October 1988, a donors' meeting under World Bank aegis put together a \$550-million assistance package, including \$220 million in fast-disbursing funds. A similar meeting in 1989 brought in \$640 million. Uganda is also getting \$50 million in balance-of-payments support financed by the IBRD [International Bank for Reconstruction and Development] and implemented by the Central Bank (special importation program).

Meanwhile, financing from various sources has been mobilized to rehabilitate key sectors: the IBRD is providing part of the financing for the rehabilitation of the Kampala-Kasese railroad line (\$7 million); the EEC is funding a livestock program; Denmark has provided about \$50 million for rehabilitation of the dairy industry. IDA [International Development Association], a World Bank subsidiary, is providing \$16 million for restructuring the public sector. And in 1989 Libya extended a \$130-million loan to pay for part of the coffee harvest.

The decline in coffee prices has increased both the budget shortfall (12 percent) and the balance-of-payments deficit. Thus even deeper "adjustments" must be made. Some 40,000 of the country's 240,000 civil service employees face probable separation. A report by the Ugandan State Auditor, the first one prepared in 15 years, estimated that 20 percent of the budget had been misappropriated.

Further progress toward economic recovery will require more international aid. The results obtained so far are considered satisfactory. But current economic policies—including those related to foreign exchange and privatization—must be maintained, while efforts to achieve greater political stability continue.

#### Human Rights Situation

Until 1986, Uganda consistently had one of the worst human rights records. Improvement in this area was one

of the main planks in the NRM's political program, ever since its days in the opposition. Now that it has been in power four years, we are in a position to look at its record. The Museveni government, when it came to power in January 1986, first concentrated on ascertaining the facts. The situation had been deteriorating since the mid-1960s. Milton Obote's first presidency saw a dramatic increase in arbitrary arrests (in 1971 more than half the members of Uganda's first postindependence cabinet were imprisoned) and in forced relocation of populations; the coup staged by the initially popular Idi Amin brought no improvement, and the situation became worse after 1979. In 1985, Ugandans were the fourth-largest refugee nationality in the world, after Afghans, Palestinians, and Ethiopians.

In May 1986 the new regime decided to establish a commission to investigate human rights abuses. The decision was greeted with considerable skepticism, since Amin and Obote had created similar commissions that accomplished nothing. The NRM's commission was chaired by a supreme court judge and had six members: an attorney, a member of the National Resistance Council, a farmer, two teachers, and a member of the Constitutional Commission. The commission, whose mandate covered the entire period from 9 October 1962 to 25 January 1986, received 1,500 complaints; to date it has considered 577. Complaint reports were collected in the course of visits to the various districts of Uganda, except in cases where unsafe conditions made such visits impossible (in the north and northeastern part of the country). About 50 cases have been forwarded to the police for action.

Considered from the standpoint of judicial actions and convictions, the commission's record is modest. On the other hand, it has played a useful role in overcoming peoples' silence about repeated human rights violations, as shown by the large number of reports filed. Ugandan newspapers report frequently on human rights violations. The regime has shown itself rather eager to keep up a good image in this area, insofar as that is possible.

Amnesty International estimated Uganda had 4,000 political detainees in January 1988; there were still 3,000 in 1989. A mission from Amnesty went to Uganda in February 1988 and interviewed prisoners at Lusina. In March 1988, Lance Seera Muwanga, secretary general of the Uganda Human Rights Activists group, was released. Reports of torture and summary executions by the NRA [National Resistance Army] are constantly being received by human rights watchdog organizations; but reports also indicate that NRA soldiers convicted of murder or looting are being sent to prison or executed.

Mr. Museveni's Uganda seems to have opted for a certain transparency about human rights. Further improvements in this area are closely tied to pacification, economic recovery, and countrywide restoration of the rule of law.

In that regard, the recent (February 1990) army offensives in Teso (eastern Uganda) and Ruwenzori, resulted in forced relocation of people into settlements where sanitary conditions were in many cases deplorable. In addition, some NRA soldiers took reprisals against local populations in areas where antiregime feeling ran high.

#### Political Stabilization

Although it brought a message of revolutionary change, Yoweri Museveni's National Resistance Army has been forced, during the last four years, to try to rule an almost disintegrated country. In addition to all the problems described above, there are still guerrilla movements operating in the country.

The partisans of former presidents Okello and Obote (militarily defeated in 1986), the Karamojong livestock thieves, and rebellions like those of Joseph Kony and Holy Spirit of Alice Lakwena, continue to destabilize the southern, eastern and western parts of the country; the Uganda Peoples Army in Teso (eastern Uganda), Ruwenzori in the west. It is not easy to distinguish the politically serious ones from those based purely on brigandage.

However that may be, the NRA intends to employ strong measures to eliminate a rebellion that refuses to disappear despite its apparent military defeat. The operations carried out in March, like the ones mentioned above, have resulted in casualties to the civilian population. They have probably also widened the gulf between Teso and Banyankole (southern Uganda), the NRA's ethnic base of support.

Ongoing military operations and the need to fuse into a single army the partisans of previous regimes incorporated since 1986 have swollen the ranks of the NRA—from 14,000 men in January 1986 to 50,000 today. The initial discipline and cohesion were found to have significantly weakened, leading the head of state to take action. In January 1990, several high-ranking NRA officers were arrested on various charges: attacks on the security of the state, malfeasance, corruption. Charges were brought both against allied elements and members of Museveni's own ethnic group.

The institutional restructuring is based on establishment of a new constitution: the juridical foundation of the current Ugandan regime is "Legal Notice No. 1," a kind of decree that partially suspended the 1967 constitution. A 21-member Constitutional Commission appointed by the head of state is supposed to ascertain the people's wishes with respect to the future constitution.

The initial draft was probably intended to institutionalize the current system, in which one entity—the National Resistance Movement, with support from the network of "resistance committees"—would have the central role. Nevertheless, the Africa-wide repercussions of the debate on multipartyism, combined with local political traditions—Buganda's federal aspirations and

the country's two-party political tradition (Uganda Peoples Congress and the Democratic Party)—may force revision of the scheme.

In any case, the current constitutional process is a controlled one. The constituent assembly includes more than half of the NRA cadres. Uganda's return to civil tranquility is a stabilizing factor in a turbulent region. In the Sudanese conflict, Uganda's sympathies are with John Garang's southern Sudanese guerrillas. When Kajo-Kaji in southern Sudan was taken, SPLA [Sudanese People's Liberation Army] guerrillas crossed through part of Ugandan territory. Relations with Libya have been put on the backburner to avoid aggravating neighbors (Zaire, Kenya) that view Tripoli with distrust. Maintenance of good relations with Kenya is essential to Uganda's survival. Much of its external trade must be transported, by road or by rail, on the Mombasa-Nairobi-Ugandan border route. When problems arise at the Mombasa refinery, oil supplies in Uganda are affected.

Politically, however, relations with Kenya are not warm. President Moi, who prior to January 1986 tried to play a role in reconciling the various factions, was unhappy to see the triumph of Museveni, whose revolutionary rhetoric could not fail to upset Kenya's leaders. So there are times of tension, most of them provoked by border incidents (cattle thefts, border crossings by Ugandan guerrillas, etc.), but disputes so far have been contained within tolerable limits.

Outside of Africa, Uganda is regaining the credibility it needs for its economic recovery, as shown by the success of the above-mentioned donors' meetings held under World Bank auspices. Franco-Ugandan relations reflect this improvement. President Museveni was the only Anglophone African head of state invited to attend the ceremonies on 14 July 1989. A Fr62.5-million financial protocol was signed in November 1989—another step toward resumption of the financial cooperation that was suspended some years ago. The protocol will finance projects in the fields of telecommunications, water supply, and railroad equipment.



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FBIS-AFR-90-174-S  
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## REPUBLIC OF SOUTH AFRICA

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### \* SANROC Urged To Lift Rugby Sanction

90AF0559A London NEW AFRICAN in English  
Aug 90 p 34—FOR OFFICIAL USE ONLY

[Text] The pressure is on President de Klerk, the more he gives way to African demands the more he loses support among his bedrock white supporters. Colin Legum argues that one way of giving him some encouragement, without prejudicing political principle, would be for the SANROC [South African Non-Racial Open Committee for Olympic Sports] to agree to the lifting of the ban on Springbok rugby.

It is undoubtedly exasperating for President de Klerk to find that every step he takes to meet the preconditions set by the African National Congress (ANC) for the start of serious negotiations over a post-apartheid constitution is met with less than full-hearted approval while, at the same time, it further erodes his support among the White electorate.

It is no less upsetting to the ANC [African National Congress] that the international community (not just in the West but also Eastern Europe) should be moving towards lessening the pressures on Pretoria even before the negotiations over a multi-party democratic society have got properly under way.

These conflicting reactions to current developments are perfectly understandable given the justifiable historic suspicions of Black South Africans about White rule, and White fears about the uncertain future they now face.

There is, as yet, no reason to feel discouraged about the relatively slow progress being made to get the different parties around the negotiating table. The obstacles to such a meeting are complex and can be overcome only in stages. At every stage each of the parties must be legitimately concerned about defending the interests of its own constituencies.

After the first round of talks between the de Klerk government and the ANC, several preconditions for the beginning of the negotiations proper remained to be met. On the government side, the demand was for the formal suspension of the armed struggle by the ANC. On the side of the ANC, there were three pre-conditions; positive evidence that the remaining apartheid laws would be repealed: the lifting of the State of Emergency; and the release of all political prisoners.

The government has been moving purposefully to abolishing, or dismantling, the remaining apartheid laws—beginning with the repeal of the Separate Amenities Act, the further erosion of the Group Areas Act, and a promise to abolish the Race Classification Act and the Land Act. Each of these measures involves major social changes which, it is felt by the government, need to be made in progressive stages in order to allow for a more orderly transition and to give Whites time to adjust, for example, to sharing hospitals with Blacks, or having Blacks as their neighbors in hitherto White suburbs.

De Klerk faced the difficulty of finding his Cabinet strongly divided over the wisdom of ending the State of Emergency while violence remained at such a high level in Natal and in some urban areas, and while the ANC had not yet been prepared to announce suspension of its armed struggle. In the end, the Cabinet accepted a compromise whereby the Emergency was only retained in Natal.

### Steps Towards Agreements

Nelson Mandela's criticism of retaining the emergency laws in Natal is that, after four years, they have done nothing towards reducing, let alone eliminating, the serious violence in the area. This is obviously true, but the larger truth is that the situation cannot be improved without an agreement with Chief Buthelezi's Inkatha movement.

It is pointless to pin the blame on any one party for the failure to get agreement on ways of stopping the violence. Despite the olive branch held out by Mandela to Buthelezi, some elements in the ANC remain unyielding in their hostility to Buthelezi. On the other hand, Buthelezi is proving to be extremely stubborn in defending his corner against the ANC. His stubbornness—what his critics describe as megalomania—drove his chief political lieutenant, Dr Oscar Dhlomo, to resign.

De Klerk has made a little progress towards meeting another of the ANC's pre-conditions—the release of political prisoners by freeing another 48 detainees. But this is still a long way from meeting the ANC's list of over 2,000 prisoners whom they classify as political.

While not yet stated as a precondition, the ANC is now also pressing hard for the abolition of the extensive powers given to the police for detaining people, interfering with demonstrations and public meetings, and Press censorship. It is unlikely, though, that this demand will even be considered until the ANC agrees to suspend its armed struggle. Its decision to begin a recruiting drive for new members of its armed wing, Umkhonto we Sizwe (MK) [Spear of the Nation], inside South Africa is bound to be seized upon by the security forces as a reason for not relinquishing their special powers.

On a more positive note, Chris Hani, the Chief of Staff of MK, has said that once the issues of the state of emergency and the release of political prisoners have been cleared up, a cease-fire could be declared and monitoring group set up.

Meanwhile, though, the narrow margin of victory secured by his National Party in the Umlazi by-election is further evidence of the erosion of White support for de Klerk. If an urban seat in a largely English-speaking area in Natal has become so marginal, there must be serious concern about the outcome of elections in the rural areas of the hardline provinces of Transvaal and the Orange Free State.

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**REPUBLIC OF SOUTH AFRICA**

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It is clear that de Klerk needs help to enable him to maintain credible White support. This need was recognized by Mandela who told a crowd of 60,000 in the Black township of Pretoria that Whites should rally behind the president. However, Whites need some encouragement to do so, and to dissuade them from falling for the racist fears being propagated by the opposition Conservative Party and the extremist Afrikaanse Weerstandsbeweging.

The lessening of international pressures on South Africa and signs of a positive economic recovery would immeasurably restore a measure of confidence in the government. But such a development is completely unacceptable to the ANC.

There remains, however, one important way in which de Klerk could be helped—especially with the platteland vote—without the lifting of economic sanctions. This is if the ANC and the SA Non-Racial Committee on Sport (SANROC) were to agree to lifting the ban on the Springbok rugby team from competing internationally.

To people not familiar with South African mores, such a step might seem almost frivolous; however, in a country where rugby is almost a national religion, it would be a great boost for White morale. What is important is the relief of pressure where de Klerk is at his most vulnerable—among the White working-class and in the rural areas. It is also the kind of measure that, if the promise of negotiations were not fulfilled, could easily be reintroduced.

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## SOUTHERN AFRICA

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## Angola

**\* Peace Talks Expected Amid Limited Reform**

90AF0474A Zurich NEUE ZUERCHER

ZEITUNG (International Edition) in German 21 Jul 90  
p 5—FOR OFFICIAL USE ONLY

[Article by H.U. Stauffer: "Angola's Long Wait for Peace"]

[Text] Since independence, in 1975, the Angolan people have not known a day without war. Now, talks between the opposing parties are imminent which may bring peace to this war-ravaged country. The Marxist government in Luanda has hinted at cautious reforms, even in the political realm.

**An Invitation to "New Thinking"**

"1990—The Year of the Opening to Democracy"—Large posters everywhere announce the third party congress of Angola's MPLA [People's Movement for the Liberation of Angola] unity party that is to take place in Luanda this Fall. The party congress is to bring reforms that many Angolans have been waiting for: The ruling party is to renounce its exclusive claim to power and is expected to open nominations to non-party members. President Dos Santos seems to have accepted the prospect of a multi-party system, provided this is what his people want, he says. Political developments of this kind would complement economic decisions that came out of the second party congress held in 1985. "At that time, we approved the 'Program for Economic and Fiscal Recovery' (SEF)," says Adriano N. Tiago, a central committee member of the MPLA who is responsible for Western European and North American affairs.

Since then, the new economic policy has become omnipresent. Murals and bill boards advertise a "new thinking" and many specific economic reforms draw their justification from a critique of previously employed economic policies that accepted the orthodox, East European economic model as absolute dogma. The most important aspect of the country's new economic program involves the restructuring of its agriculture. The abandonment of collective farms and the introduction of financial support for small farmers are expected to bring quick results. Angola needs results soon. Once an agricultural exporting nation, it now imports food because of economic mismanagement and war. The cultivation of cassava, the raising of cattle, and the growing of cotton is of highest priority for the domestic market, while the growing of coffee and lumbering come first for export. Price controls for 52 basic foods have been abandoned to revitalize agricultural production. The buying price for coffee was raised from 30 to 200 kwanza per kg because yearly coffee production fell from 250,000 tons to barely 10 percent of this amount. But higher prices for producers solve only half the problem, because what is the rural population supposed to do with their money if the stores are empty?

**Cautious Investors**

Industry, as well as agriculture, invites foreign investors. An inter-ministerial committee headed by economist Aguiñaldo Jaime, the founder of the SEF program, has been set up to deal with potential investors. Swiss banks and hotels have shown some interest, and West European and North American investors are cautiously testing the waters. It takes about four to five months to evaluate business propositions. Just recently, ten projects have been authorized. Highest priority is given to investments in the import substitution and export sector. Price regulations will no longer be used except on monopoly products, such as gasoline. The country's former fixed wage structure is undergoing change. Central planning is curtailed. And the currency? According to Jaime, the kwanza will be devalued 100 percent in a few months from now.

What a "fixed wage structure" means becomes apparent with a visit to Angola's largest textile mill "Textang II". It is located on a highway leading from the capital into the interior of the country. The mill opened in 1982, it employs 825 people, and is 100 percent state owned. The newest machines from the firms Rieter and Sulzer stand in the spacious halls of the factory, but insufficient energy supply and a lack of raw material allow for no more than 25 percent productivity. Raw cotton is no longer reaching the mill; some bails show the Sudan as country of origin. Wages are set according to Angolan law. An unskilled laborer earns 6,000 kwanza, while Ernesto Jesus, the plant's technical director, with a university degree, earns 27,000 kwanza. The official currency market lists an exchange rate of 33 kwanza to one dollar, but on the black market a dollar costs 1,000 kwanza. Thus, not even the salary of the technical director goes very far, because a beer, domestic or imported, costs 1000 kwanza on the gray market, an egg 400 kwanza.

**Struggle for Survival**

How then can those who are dependent on wages survive? The answer is: "You play the system." Employees receive their state-set wages plus a commodity payment from their employer. If you work at "Textang II," you receive fabrics; at "Metang," corrugated metal sheets; at the brewery, "Cuca" beer. These articles can then be traded on the semilegal grey market; each person can make use of his or her connections and "play the system." But it takes time to do that, and as a result "Textang II" has an absence rate of 23 percent, because workers take off the time to fill their cupboards.

The gray market supplies other items besides food. Drugs such as chloroquine and penicillin are available although in very small quantities. "Certain things just simply disappear from somewhere and show up on the gray market," says Minister of Health Flavio Fernandez. He is not shocked that a chronically deprived society such as Angola has fallen victim to theft and illegal transactions. He is much more worried about the rapid deterioration in health care. He states that "40 percent of the health sector's infrastructure is in ruins. Not too long ago, UNITA [National Union for the Complete Independence of Angola] missiles destroyed the

women's hospital of Huambo, the second largest city in Angola, as well as the obstetric facility in Cuito in the province of Bie. The damage amounts to 2.5 million dollars." Chronic malnutrition and under-nutrition open doors for diseases such as leprosy, tuberculosis, and to a host of infectious diseases. The most common cause of death is malaria. A study conducted in the working class neighborhood Ki Kolo near Luanda has shown that 40 percent of the population no longer respond to malaria medication. A cholera epidemic has broken out in the central highland province of Huila following a two-year drought—53,000 people caught the disease; 3,000 have already died of it.

#### Decay Everywhere You Look

The war has made many parts of Angola difficult to reach. Cross-country transports rely on military escorts. The safest way to travel between provincial capitals is by air. The war has left its imprint everywhere, including on the capital Luanda. The city was planned for 500,000 inhabitants; but at the moment it is home to 1.5 million people. Settlements grow rampant. There is no time to build an infrastructure. The city council of the working-class precinct Sambizanga with 200,000 inhabitants has only 50,000 dollars a year to invest. There are 26 schools for 35,000 children, yet 15,000 school-age children have no access to education. The three minimally equipped medical centers have no doctor on call.

Even in "Concrete Luanda" itself—formerly often compared to Rio de Janeiro—there are traces of the war. Water and electricity are rationed; many new buildings show signs of decay. Most stores are closed; shop windows are nailed shut. The few stores that remain open have little merchandise to offer.

Angola is tired of war; everybody hopes that the MPLA and UNITA will come to terms soon. It is well known that UNITA cannot be conquered militarily and that the civil war must be settled in the political arena. It is an encouraging sign that UNITA is willing to recognize Dos Santos as president of Angola, even though UNITA persists in its refusal to recognize the ruling MPLA government. Both parties are prepared for direct talks. There is hope that discussions during the third MPLA party congress this Fall will address the country's democratic opening and will bring a settlement with UNITA. Angola, a country with tremendous economic potential, has reached a turning point.

#### Madagascar

##### \* FFKM Plans Reform With or Without Ratsiraka

90AF0437A Paris JEUNE AFRIQUE in French  
18-24 Jul 90 p 10—FOR OFFICIAL USE ONLY

[Article by special correspondent Sennen Andriamirado: "The Churches on the Front Line"; first paragraph is JEUNE AFRIQUE introduction]

[Text] Objective: profound changes. With or without Ratsiraka.

The Council of Christian Churches of Madagascar has decided to convene a "national conference of all active forces in the country" on 16 to 19 August 1990. The Council, better known by its abbreviation FFKM (in Malagasy) unites four churches, Roman Catholic, Anglican, Reformed, and Lutheran. The stated objective: to bring all pressure groups, associations, and parties together to reflect on the nation's future. In reality, what is involved is a political and economic assessment of the 15 years of Didier Ratsiraka's regime and to propose changes. As was the case in Benin and in Gabon.

Officially apolitical, the FFKM wants to organize this national conference "in a church setting," hence a private location, to avoid the administration's refusal to allow such a meeting to take place in a public place. In truth, the FFKM's objectives are highly political. The assessment of the regime over the last 15 years can only be harsh and President Ratsiraka is not the last one to realize that. As a matter of fact, he has abandoned his dreams of "a socialist paradise" in favor of a Reagan-like if not Thatcher-like liberalization. A courageous self-criticism, even though tacit. But this change no longer seems to be adequate: in being concerned with "every man and the whole man," the Christian leaders are denouncing the continued presence, in the ruling team, of the very people who "led Malagasy society into chaos." Hence, they are demanding a radical reorganization of the government, and the replacement of the current team by another in which "civil society" would be strongly represented. This civil society is largely Christian, given that some cadres, some businessmen and...the leaders of the opposition are active Christians.

In fact, the opposition's loss of credibility has led them over the last year—since the last presidential elections—to draw closer to the only structure sufficiently "clean and organized" to be listened to: the Christian community. Thus, finding themselves in an unnatural alliance, several opposition parties are co-organizers of the national conference. Among them are: the MFM [Militants for the Establishment of a Proletarian Regime] (a proletarian party turned liberal), the AKFM-Renewal [Congress Party for Malagasy Independence] (orthodox Marxist, today advocating "community socialism"), and the PSD [Social Democratic Party] (social democratic, driven from power in 1972, which is rising back from its ashes), etc. Only AREMA [Vanguard of the Malagasy Revolution], the party currently in power, and MONIMA [National Movement for the Independence of Madagascar], the party of the former nationalist leader Monja Jaona, feel that such a conference should be convened by the state and not by the churches.

But the organizers are sticking to their guns: they think that their "duty as Christians" is to propose changes, including a constitutional revision. In fact, first all references to socialism, a dogma which, like the republican form of the state, constitutionally cannot be challenged, should be eliminated. Next, the principle of reform of the administration must be implemented.



Finally, the responsibility for implementing these changes must be entrusted to new individuals, even though, apparently, the rather legalistic Christian leaders are suggesting that President Ratsiraka take the renewal in hand.

According to some confidential sources, the organizers of the national conference are not excluding the possible formation of a shadow government in case Ratsiraka "does not submit." In fact, they are secretly counting on a crisis which might lead to...the fall of the regime. The fact remains that Ratsiraka is not fooled. He even believes that the opposition and the Christians will not be able to agree enough to form a homogeneous team. In particular, he knows that even though he himself is open to all changes, he will not submit to such a spectacular pressure.

#### \* EPZ 'Booming'; Mauritians Lead Investors

90AF0562A London AFRICAN BUSINESS  
in English Aug 1990 pp 39-40—FOR OFFICIAL USE ONLY

[Article by Mahmood Kazi in Antananarivo]

[Text] Madagascar's Export Processing Zone (EPZ) is booming barely six months after the country voted in a revitalised investment code. The newly enhanced EPZ sector is slowly gathering momentum, with investments gaining pace.

Foreign investors, mainly from Mauritius, France and Asian countries, are not missing any time to reap the benefits of Madagascar's "golden age."

Spearheading the Madagascar EPZ are the Mauritians. The "tiger of the Indian Ocean" is facing serious domestic problems, with high salaries and a shortage of qualified labour. Mauritius is fast moving into a capital-intensive economy, from the traditional labour-intensive situation which used to prevail. The result is the closures of over 100 non-performing labour-intensive units in 1989.

To counter the effects this would have on the Mauritian economy—and to grasp the opportunity represented by capital, equity and bonded investments offered by Madagascar—the Port Louis government is publicly and privately encouraging Mauritian businessmen to invest in Antananarivo ("Tana").

The reaction has been immediate. Numerous prospecting missions have visited the Grand-Ile, and now Mauritian firms are queuing up especially after a guarantee by Malagasy President Didier Ratsiraka that Madagascar "will never nationalise a brother country's investments."

The Mauritian opposition MMM [Mauritian Militant Movement], represented by Secretary-General Paul Berenger, also supported the Mauritian government, particularly Prime Minister Aneuroud Jugnauth and

Finance Minister Vishnu Lutchmeenaraidoo, in their drive to expand local investments in Madagascar. Paul Berenger, ex-Finance Minister under Jugnauth, has close ties with Ratsiraka and has personally intervened in favour of Mauritian investment.

Mauritian firms in operation are Floreal Madagascar (FML) and Beta Industrial Madagascar. FML is a subsidiary of Floreal Knitwear of Mauritius (entirely Mauritian-owned), which employs over 10,000 workers in the Mauritian EPZ. Situated in Tana's industrial zone, the unit is producing 2.4m T-shirts and employs 1,000 workers.

Beta Industrial intends to produce 530,000 T-shirts annually. The Noel group of the Espitalier Noel Investment establishment has earmarked consequent investment, followed by Mauritius Stationery Manufacture (MSM), Mauritius Chemical Fertiliser Industry (MCFI), Mauritius Foods & Allied Industries, Ireland Blyth industrial and services group, Beachcomber Hotels and Maurillac paint manufacturers.

But Madagascar's industrial free zone is also attracting Asian and European investors, particularly French ones. The Malagasy Cabinet has approved four other industrial projects, of which three are French and one is Far Eastern: Julien Ocean Indien Expansion (JOIE), with production targets of 850,000 garments for children a year;

- the Societe Demad, for the manufacture of 570,000 units of children's ready-made garments;
- the Weil group, which is to produce pants, shirts and sportswear;
- and Goodlands Investments of Hong Kong, which is to open the Vettex industrial complex with the government-owned Fiaro establishment as partner.

This last unit intends producing about 1m T-shirts for export to Europe.

The total amount invested in the six newly approved projects is estimated at Mgf10bn (\$7.86m), or a capital investment of Mgf2.9bn, out of which 25 percent is from Malagasy industrialists.

Foreign investors which choose Madagascar benefit from a qualified and cheap labour force. A free zone worker is paid \$44 monthly, while a qualified worker in the services sector may get \$88 monthly. In Mauritius, an EPZ worker is paid \$114 per month, and a qualified worker gets more than \$175.

According to a World Bank report, Madagascar should create 200,000 jobs annually in the EPZ before the year 2000 to cut down the high unemployment figures. Madagascar has a labour force of 5.5m, half of which are unemployed or are underemployed. To reach its objective, Madagascar has approved an ambitious job-creation plan sponsored by the Far East group of Hong Kong. The Far East group intends to start a Free Zone



centre in Toamasina, which has efficient port facilities. Over 100 enterprises are to be built, creating 200,000 jobs.

Yet over this rosy cloud hang some storm clouds too. So far, all investments in Madagascar are joint ventures. The reason is that the regime is keen to see its dignitaries and supporters have a share in these investments, which is not to the taste of all foreigners. The latter also do not have the right to buy land and properties and are forced to construct their own buildings to install their production units. This offers no security to their investments, a Western investor pointed out to AB.

The administration is ravaged by red tape, and the communications system is inefficient and lacks international direct dialling (IDD). Telephone, fax and telex are costly: \$17 a minute. The country has very bad road networks, an absence of good packaging and exorbitant sea and air freight costs from one Malagasy port to another.

On top of it all, the recent expulsion (in April this year) of three European investors, close to the regime, has forced the Europeans and the French in particular to adopt a prudent approach in their investment projections in the country. But to Ratsiraka's relief, all these problems and the recent coup attempt are not sufficient to deter the Mauritians from investing.

"The present investment code seems tailor-made for Mauritian investors, who are allowed to repatriate their dividends," a Mauritian economist told AB in Port Louis. Elaborating on the numerous advantages Mauritian should gain from its investments abroad, Pierre Yin of the Peat Marwick consultancy firm added that Mauritian industrialists are favoured by the Malagasy investment code, which is much like the one that was in operation in Mauritius in the early 1970s.

"Madagascar needs our expertise and know-how, and this is another reason why Mauritius invest there," Yin told AB. "On line with the Mauritian Minister of Finance, Mauritius will benefit in the long run from a booming EPZ sector in Madagascar, in terms of revenue generated from capital and equipment investments and parallel to Mauritius's offshore banking and corporate sectors."

In short, Madagascar is set to become Mauritius's offshore investment base and has tailor-made its financial needs for its EPZ to come from offshore banks only, not from domestic Malagasy banks.

[Boxed item by Georges Ranaivosoa]

To complement the Export Processing Zone (EPZ), Madagascar has drafted a fifth text of its investment code. Promulgated in December as Law No 89026 of 1989, the code is geared towards privatisation, liberalisation and a greater role for market forces.

Its predecessor, the 1985 draft, marked the fundamental shift away from earlier policies of nationalisation and

central planning; the latest version merely reinforces the government's enthusiastic welcome to foreign investors. The code promises that the government will respect foreign investors' private and collective property rights.

Small and medium-sized enterprises (SMEs) come under a separate regime in the code. Whereas the 1985 code offered them incentives for the first three to five years of their operation, the 1989 code sweetens the pot—it grants them incentives for the first five to ten years. Among the juicier carrots offered to SMEs are these:

- a tax holiday of 100 percent for the first five years, 90 percent for the sixth year, 80 percent for the seventh, 60 percent for the eighth, 40 percent for the ninth and 20 percent for the tenth year of operation;
- 100 percent exoneration from import duty and value-added tax for plant, equipment, building materials, factory equipment, office computers and certain other materials imported for the initial setting up of the venture;
- 100 percent exemption from registration fees for the purchase of buildings necessary for the establishment of the venture (the 1985 code allowed only a 50 percent exemption);
- 100 percent exemption from "contribution duties" (the 1985 code allowed only a 50 percent exemption); and
- exemption from professional tax during the first five effective working years (as against only the first three in the 1985 code).

Larger investments fall under the heading of general assent, and—subject to the payment of a 10-percent minimum import tax—they enjoy these incentives:

- exemption from profits and income taxes of 100 percent for the first five effective working years, 75 percent for the sixth year, 50 percent for the seventh and 25 percent for the eighth (in the 1985 code full exemption was allowed only for the first two years);
- up to 100 percent exemption from import and value-added taxes on initial assets imported in the first three months;
- a 50-percent reduction of their "contribution duties" (a new advantage not offered in the 1985 code); and
- 100 percent exemption from registration fees in respect of the initial purchase of premises (as against the 1985 code's 50-per cent exemption).

[end boxed item]

## Zambia

**\* Political, Economic Reason for Parastatal Sales**  
90AF0588A *Dar es Salaam AFRICA EVENTS*  
in English Jul 90 p 43—FOR OFFICIAL USE ONLY

[Text] Zambia's parastatals are up for sale. What has made President Kaunda go back on his recent emphatic refusal to privatise "strategic industries"?

In a dramatic announcement, President Kaunda on 28 May announced that the government had decided to sell to the public between 40 and 49 percent of the shares in the parastatal sector, including strategic industries.

The sudden change of heart was all the more surprising, as only 75 days earlier, he had categorically stated that government would not contemplate selling shares in any of its parastatals: "If you want, you are free to set up your own companies to compete side by side with parastatals, but not in the strategic industries" (AE April 1990), he declared during the national convention on 14 March.

Kaunda also revealed that as part of a plan to facilitate the "watershed" economic reforms, a stock exchange would be established. The companies to be affected include Zambia Railways, the jointly owned Tanzania Zambia Railways Authority (TAZARA), Zambia Electricity Supply Corporation (ZESCO), University Teaching Hospital (UTH), Lusaka Water and Sewerage Company and the National Broadcasting Corporation (ZNBC), plus service and public utility parastatals.

Initially, the public will be offered 40 percent in all these undertakings while in the mining sector, the public would be offered 49 percent. The government has built some safeguards to ensure that no undue advantage is taken of the scheme by a few rich people at the expense of the poor majority Zambians.

In an effort to afford all people an opportunity to easily buy and sell shares freely and to effect the reforms properly, the government will set up a Stock Exchange.

Kaunda ticked off the benefits of privatisation: redistribution of wealth, higher government revenue and a more efficient level of management.

At the moment, all parastatal executives are political appointees and most have come under fire in Parliament for poor management and complete lack of professional skills.

"Most fail to answer questions on the Auditor General's report. They are pompous, arrogant and make deliberate attempts to mislead people simply because they know that whatever they do, they cannot be fired but merely transferred because they are political employees," charged parliamentary committee Chairman on parastatal bodies Wycliff Mwiinga.

Last year, 18 of the 97 Zambia Industrial and Mining Corporation (ZIMCO) giant conglomerate incurred cumulative losses amounting to over ZK [Kwacha] 354 million. President Kaunda has immediately ordered the Prime Minister, General Malimba Masheke, to set up a team of competent persons drawn from the government, the ruling UNIP [United National Independence Party], ZIMCO and the private sector to plan the implementation of the reforms.

Observers believe the new measures are aimed at diverting people's attention from pressing for a multi-party system while some quarters believe the government is merely trying to fulfil the demands of the IMF and other Western donors in order to win more aid.

During the March Paris club, Zambia was promised a total of over U.S.\$450 million from donors including IMF and World Bank. The circumstances under which these agreements were reached are not yet known, but critics are quick to say these measures are part of the unfolding package of a series of agreements.

Whatever the reasons, the recent measures show a major shift in the political thinking of the government which has for a long time avoided wholesale private ownership of enterprises in preference for state ownership.

## Zimbabwe

### Prospect for Limited Democratization Previewed

90AF0463A Zurich NEUE ZUERCHER ZEITUNG (International Edition) in German 21 Jul 90 p 4—FOR OFFICIAL USE ONLY

[Unattributed article: "End of Martial Law in Zimbabwe"—first paragraph is NEUE ZUERCHER ZEITUNG introduction]

[Text] Starting next Wednesday, after a quarter of a century of martial law, normal laws are to be in effect again in Zimbabwe. Nonetheless, it is still questionable whether that will bring a burst of more democracy in the presidential republic which has been independent since 1980; opposition and freedom of the press still hardly exist.

Last year in November, President Robert Mugabe pushed a law through parliament which will soon change Zimbabwe into a one-party socialist state. Mugabe, who publicly deplored the overthrow of the governments in Romania and the GDR and even after the revolutions in Eastern Europe makes no secret of his love for Marxism-Leninism, is unable to find any good in a multiparty democratic system. Just two weeks ago, during a visit to Uganda, he furiously attacked "Western teachers of democracy," by telling them to "go to hell!" Protected by martial law, it was possible up to now for the police to arbitrarily arrest opponents of the government and lock them up without a hearing. Even a harsh action against illegal strikes, as recently happened in the case of a teachers' walkout, will likewise no longer be legally possible. Minister of Home Affairs Moven Mahachi justified the step toward normalization by saying that the atmosphere in Zimbabwe was now more peaceful than it has been in a long time.

### Relative Harmony

Observers, of course, are of the opinion that, by lifting martial law, Mugabe wants to take the wind out of the sails of his critics. Because opposition and freedom

of the press still hardly exist. After the war of liberation against the white colonial masters and the postcolonial civil war in Matabeleland, Zimbabwe has clearly settled down as far as domestic policy is concerned. Nine million blacks live in relative harmony with 100,000 whites. Economically, the inland country continues to be one of the few positive examples in Africa. According to official figures from the central bank in Harare, the 1989 gross domestic product grew by four percent.

Many times Mugabe has made clear his intention to have strengthened state control of the economy. In spite of that, he is not afraid that this will have the effect of deterring foreign investors. Last year he explained that "ideology does not play a role, investments will follow along; China is communist, nonetheless US investments flow into that country." So far, the white minority has spared Mugabe. Three whites in the cabinet are responsible for mining, transportation and the public health system. Thus far, land ownership by the 4,000 white farmers has not been touched. Although black small farmers today produce surprisingly good agricultural harvests, the white farmers harvest enough food on half the fertile soil to make it possible for Zimbabwe to export foodstuffs.

#### Twenty-five Years of Martial Law

In April 1980, when Zimbabwe gained its independence from the white colonial masters, in a surprising move, Mugabe even continued the martial law which Prime Minister Ian Smith had imposed in 1965 and which had to be extended every six months. This fact always made Mugabe's condemnation of martial law in neighboring South Africa seem somewhat incredible. Last December, at a unity congress, Mugabe's Zimbabwe African Union-Patriotic Front (ZANU-PF) had swallowed up Joshua Nkomo's [Patriotic Front-] Zimbabwe African People's Union (PF-ZAPU). Following the March 27 parliamentary elections, Mugabe announced the abolition of all other parties which still existed. In the first place, this meant Edgar Tekere's Zimbabwe Unity Movement (ZUM); he had competed with Mugabe as the only opposition candidate and had warned Mugabe of "swimming by himself against the current of the world." The present bicameral system is to become a unicameral parliament; there will be no senate, the chamber of deputies will be increased from 100 to 140 seats.



**Benin****\* Lemon Discusses Ways To Repair Economy**

90AF0434A Paris JEUNE AFRIQUE in French  
18-24 Jul 90 pp 59-60—FOR OFFICIAL USE ONLY

[Interview with Idelphonse Lemon, Benin's minister of economy and finance, by Francis Kpatinde: "A Former Death Row Inmate's Plan for Economic Recovery"; date and place not given]

[Text] Extraordinary fate! Forced into 15 years of exile in the Ivory Coast and France, twice sentenced to death during the seventies for plotting against the regime of President Kerekou, today Idelphonse Lemon, 53 years old, occupies the position of minister of economy and finance in the government of Nicephore Soglo. Until the general elections of February 1991, his mission will consist of putting an economy, which has been bled by 17 years of a Marxist-Leninist planned economy, back on track again.

[Kpatinde] What was the state of the economy when you came in on March 11th?

[Lemon] It was not great at all. We were counting on a 2.5-percent growth rate for the gross domestic product. In the end, we achieved only 0.6 percent growth. And then, the structural adjustment program had only been adopted very recently. Educational activities had been put on hold: professors, students, school children, and teachers were on strike. There were also work stoppages in the state controlled financial institutions. The structural adjustment program lacked the popular support needed to succeed. The rate of tax recovery was slow. We were witnessing an erosion of the tax base, in addition to a drop in the productivity of recovery services. The banking system was in total disarray, with questionable debts on the order of 100 billion CFA [African Financial Community] francs. Savings accounts were frozen.

[Kpatinde] It is said that certain cadres from the old regime virtually pillaged the civil service homes they occupied before returning the keys to the state...

[Lemon] That is true! They were not civil servants but officials of the former regime. Some ministers had not served for five years, but they were still living in state owned houses. I had to send them threatening letters before they vacated the premises. Some of them returned cars from which radios had been removed, others substituted the new tires with used ones... Those people had no concept of the public good.

[Kpatinde] What immediate economic measures do you take when you inherit such a heavy burden?

[Lemon] First you have to clean the Augean stables, carry out a reducing operation at the human level, taking into account regional abilities and balance. We changed those who were at the head of the state controlled financial institutions. But given that it is not enough to change

people, it was also necessary to set the tax machine back in motion. Thus we have started giving the tax services new resources, amended the methods of recovery, and put into place a new accounting network. The tax management had neither fuel nor calculators. I provided these things for them.

[Kpatinde] With what money?

[Lemon] State money. I took advantage of certain resources that already existed. The same work now needs to be done with the customs services that are in dire need of transfer equipment as well as computers.

[Kpatinde] How healthy has the Benin economy become since the formation of the transition government?

[Lemon] In spite of the difficulties, it is on the right track. Especially in terms of tax recovery, which is vital to the success of our structural adjustment program. In January, we collected 1.7 billion CFA francs in taxes, by April we had exceeded 2.8 billion, and we exceeded 3 billion CFA francs by June. We need a level of at least 4 billion for the program to succeed.

[Kpatinde] Doesn't the fact that you are a member of a transition government limit your actions? Doesn't it prevent you from working?

[Lemon] Not at all! The transition government's calling is to mark out the road for the government that will follow. Thus there is nothing to say that we will necessarily have implemented an interim plan by then. The most important thing is to clear the ground for our successors, to institute good habits, which we should definitely not abandon later on. Even though the period of time at our disposal is short, we have to pave the way for tomorrow.

[Kpatinde] But is it a policy in and of itself to manage a country short term or to expect everything from abroad?

[Lemon] No, of course not! We are not men who would sleep on the soft pillow of foreign aid. We have to work, economize, implement a budgetary discipline. Foreign contributions should only be used as an extra. That is why we are making an effort to improve our resources. Our tragedy is fraud. We hope that one day we will no longer have to pass the bowl.

[Kpatinde] What do you intend to do to put the banking system back in motion?

[Lemon] The disarray of the banking system has reduced the volume of transactions and economic activities. We found two banks under liquidation, the Benin Development Bank [BBD] and the Benin Commercial Bank [BCB], and one bank under compulsory liquidation, the National Agricultural Credit Fund [CNCA]. With confidence returned, four new banks have opened their doors in Benin: the Bank of Africa, with participation of the Central French Fund for Economic Development and private interests in Benin, the Financial Bank, the Eco



Bank, and the International Bank of Benin, which officially opened on 15 June. The National Bank of Paris will open its doors in September.

[Kpatinde] When will the people of Benin, whose savings accounts have been frozen for several months, be able to obtain their money?

[Lemon] We have already started reimbursing them. We have set up an Indemnity and Rehabilitation Fund [FIR], supplied specifically by sponsors, to reimburse the small savings accounts (those with 50,000 to 100,000 CFA francs). The others will also be reimbursed.

[Kpatinde] Do you intend to pay back wages for the last quarter of 1988?

[Lemon] We cannot forget all about that, even though some sponsors have suggested that the "inheritance" be blamed for those nonpayments. My concern is to pay. I am convinced that if we succeed, then the workers will be willing to go along with us in staggering the remaining two months.

[Kpatinde] What financial contributions are you soliciting from our foreign partners?

[Lemon] Thirty-five billion CFA francs.

[Kpatinde] Are you getting ready to dismiss civil servants?

[Lemon] Not at all! Rather, it involves a voluntary retirement program. It involves 3,000 civil servants working for the state. We have also decided to extend the program to the military.

[Kpatinde] Referendum for the adoption of the constitution, presidential and legislative elections... You need money to organize elections...

[Lemon] Foreign organizations and states have committed themselves to financing them...

[Kpatinde] Is there any way to recover the funds diverted by the former officials, and specifically by the Marabout Cisse?

[Kpatinde] An international arrest warrant has been issued for Cisse. As for the other officials suspected of diverting public funds, we have just strengthened the investigative powers of the Property Verification Committee, established by President Kerekou in 1989. Switzerland has already promised us an expert to assess the funds invested abroad...

## Ivory Coast

### \* Obstacles to Democratization Addressed

90AF0477A Paris JEUNE AFRIQUE in French  
No. 1543, 25 Jul-1 Aug 90 pp 22-23—FOR OFFICIAL USE ONLY

[Article by Dominique Kacou: "Ivory Coast—Multiparty System or Silence of the Parties?"; first paragraph is JEUNE AFRIQUE introduction]

[Text] Democratization is floundering. The opposition is becoming increasingly dissatisfied with the obstacles set on its path.

The opposition is very dissatisfied with the debut of the multiparty system in the Ivory Coast. Much anger has resulted from the scattered unfavorable incidents that have occurred on the various occasions when the parties were in contact with the populations.

The Ivorian People's Front (FPI) of Laurent Gbagbo is the party that has encountered the most trouble during its leader's tour to the interior of the country. His first mid-June appearance in Korhogo, in the North, was particularly stormy. Clashes with supporters of the PDCI (Democratic Party of the Ivory Coast), the party in office, lead to the throwing of Molotov cocktails and to a few knife attacks, which left many wounded among the ranks of those who had come to see and listen to Laurent Gbagbo.

The FPI leader is one of the main luminaries of the opposition—a man who openly dared to defy President Felix Houphouet-Boigny long before the multiparty system had been mentioned in the Ivory Coast. Experienced in the art of politics, Laurent Gbagbo attracts through his charisma and bluntness of speech, sprinkled with humor and irony.

The novelty of the experience with pluralism in a country marked by three decades under a single party can only lead to this type of unfavorable, but foreseeable, incidents. That is what happened in Bonoua, a town located 50 kilometers east of Abidjan, which is the domain of Minister of State Mathieu Ekra, a PDCI boss. The FPI was scheduled to speak there publicly on 14 July, a few hours after the inauguration of a rehabilitation center for motorial handicaps by four government members. It was, in fact, unable to hold its meeting. Determining where that meeting was to be held was the origin of the incidents. The site selected by the administrative authorities was either the youth center or the M'Ploussou Park as sites, whereas Radio-Amangoua Place was the FPI members' choice. That is where they set up their stage and chairs, in a climate of extreme tension.

### "Break It Up!"

The Bonoua subprefect declared later: "I had given the order that the meeting was not to be held in the street

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because meetings and other assemblies are forbidden by virtue of the decree of 26 March 1990." (His version of the affair was the only one published in the national daily newspaper and broadcast over the radio and the television.) The forces of order—police and gendarmerie—were therefore subsequently deployed, which left the meeting organizers unmoved. Around 1500 hours, the subprefect arrived at the site, at the very moment when Laurent Gbagbo was getting ready to address the population, and three times he repeated the summons: "Break it up in the name of the law!" Nothing happened. The subprefect then gave the gendarmes the order to charge. Tear gas and clubs were used. Two gendarmes were among the five wounded. The dispersal quickly turned to anger. Two vehicles belonging to the gendarmerie were set on fire. The demonstrators also attacked vehicles belonging to the police and to the subprefect. They then ransacked offices and the subprefect's residence, looting everything they found in the latter. He later declared: "Clothing, sheets, television, etc, everything disappeared. My younger brother was almost brutalized... I had to hide to escape certain death."

The FPI leader blames the PDCI for this incident, for Laurent Gbagbo considers as "null and void" the decree prohibiting street meetings: "Meetings are governed by the French laws of 1887 and 1946, which were in force in French West Africa (AOF). Today, Article 75 of our constitution makes them applicable. We are therefore under a regime of absolute freedom when it comes to meetings. The decision, or decree, used as an argument by the PDCI has not been published anywhere, not even in the JOURNAL OFFICIEL. In any case, a decree is not opposable to a law, and even less to the constitution."

Some members of the opposition believe that this decree is the source of the political prejudices that victimize them. For Laurent Gbagbo, it is simply a masquerade: "Since rallies have been prohibited by this 'pseudo-decree,' we have seen marches in support of President Houphouet-Boigny, not only in Abidjan but also in towns in the interior. The PDCI holds its meetings in stadiums and public places. In a law-abiding country, under a multiparty regime, are there two weights, two measures? We will reject provisions taken solely to benefit the PDCI and prohibitions reserved solely for us."

**Intimidation**

The opposition has another grievance: in its opinion, the PDCI has too much monopoly over the various information media. "We cannot express our views over either the radio or the television. Neither do we have a right to publish in the national daily newspaper. We are mentioned only when there is trouble!" Several parties are therefore getting ready to create their own information publications. But while the texts allow freedom of expression, the possibility to print is practically nonexistent. A civil servant confides: "One has the impression

that everything is being done—and that, in an underhanded fashion—to prevent democracy from functioning. The PDCI is in the process of carrying a campaign of intimidation against civil servants and state agents, to the extent that some of us refuse any contact with members of the opposition, for fear of losing our jobs. And believe me, it has already happened, unfortunately!"

In Abidjan, people at all levels are becoming concerned over the course being taken by the multiparty system. The Ivorian Labor Party (PIT) leader asserted: "The situation is worrisome. We are living under a pretended multiparty system, but we continue to exist in the context of a single party." It is feared that, in the long term, the excesses will lead to something irrevocable.

**Back-to-School Imperiled**

This fear exists because, while outbursts of anger have faded domestically, calm is only apparent. To be sure, the Ouattara plan (see No. 1536 of JEUNE AFRIQUE dated 11 June 1990) succeeded in calming the situation, but without bringing a solution to the crisis being experienced by the country. The suspension of business activities is continuing, which aggravates the unemployment problem. While the Ouattara plan does not call for reducing workers' wages, increases in taxes and the recent decision to collect a 5-percent sales tax on all purchases risks displeasing not only the businessmen, but also the consumers who directly feel these increases. Many are the merchants who have decided to stop all imports for six months. Many Ivorians believe that "'Ouattarization' is stifling economic activity!" [quote marks as published]

Since life must go on, people are already wondering about the return to school. Will it take place? A teacher retorts, not without humor, "How can it possibly take place in a country that is itself not taking place?" Set for 3 September without the teachers having been consulted in any way, it risks to act as a bomb. Some students are already raising the threat of a strike. In addition to material demands, namely, a scholarship for each of them (even if the amount is to be lowered after review), the students express the pressing desire of forming an autonomous association, in the context of the multiparty system, comparable to the MEECI (Movement of Students and Pupils of the Ivory Coast), which they consider a PDCI tool.

**Trends**

The demands of the opposition are another burning subject. The national conference is demanded by all and is becoming increasingly more imperative as the required passage toward democratic transition. The opposition is demanding a new plan in which new rules will be defined. It says, among other things, that it is necessary to appoint new men for an interim government and to revamp the institutions with a view to organizing regular elections.

On the other hand, the PDCI Congress is impatiently expected. The old party, crisscrossed by many trends, runs a real risk of implosion due to the young intellectuals who advocate a renovation of the movement. This congress promises to give rise to some angry shouting.

#### \* Demands of First LIDHO Conference Noted

90AF0482A Paris MARCHES TROPICAUX  
ET MEDITERRANEENS in French 13 Jul 90  
pp 2061-2062—FOR OFFICIAL USE ONLY

[Article: "Country Waiting"]

[Text] Far from dissipating the uncertainty of Ivoirians as to the future, the introduction of a multiparty system and the new economic program in Ivory Coast are instead giving rise to concerns in the opposition and even inside the party now in power, the AFP reports. This is what emerged from a press conference that four of the 20 parties opposing the Democratic Party of the Ivory Coast (PDCI), in power for 33 years now: the Ivorian Popular Front (FPI), the Ivorian Workers Party (PIT), the Social Democratic Union (USD), and the Ivorian Socialist Party (PSI), recently held and during which they denounced "the obstacles to the effective exercise of pluralistic democracy."

Accusing the PDCI, they questioned the party's willingness to establish a "true democracy." The establishment of a multiparty system, they asserted, "is a pretext to obtain the support of international finance organizations, specifically the World Bank and the International Monetary Fund (IMF)."

The opposition is still demanding a national political conference, the government's resignation, the formation of a transitional cabinet, and the abandonment of the chairmanship of the PDCI by chief of state Felix Houphouet-Boigny. But until now, the Ivorian president has observed total silence three months from the presidential elections scheduled for October. Mr. Houphouet-Boigny has nevertheless received all the opposition party leaders for an "initial contact" and insisted on the need for "preserving domestic peace."

While some PDCI leaders advocate a renewal of their party, the PDCI congress announced for May-June was not convened, which should enable party leaders to give themselves time to plan their strategy. As for the opposition, it only has a little time to establish itself before the elections, which explains why it is putting more emphasis on the "obstacles" it feels it is up against in the field and in the state-run news media.

#### New Social Tensions

At the same time the labor situation has become tense again with two strike movements, at the electric power company on 10 and 11 July and among the taxi drivers, who had already been on strike for a long time in the spring, for a week starting with 10 July.

The government's last economic plan enabled Ivory Coast to obtain 50 billion CFA [African Financial Community] francs (Fr 1 billion) from the World Bank and the IMF which, however, will not be arriving for several months. Furthermore, an initial decline has been observed with rises in price for basic commodities. The authorities have imposed penalties on 45 merchants, but they are having obvious difficulties in ensuring effective price control. In addition, economic activity is in part paralyzed while waiting for the funds promised by Western lenders, which deprives the state of some of the tax revenue it was hoping to obtain. This drop in revenue is particularly appreciable for customs tariffs.

According to some foreign experts, this latter decline can also be explained as being due to an increase in fraud cases: A number of customs officials fear an announced reform that which would deprive them of their usual "revenue supplements," and they prefer to help themselves to them as long as there is still time, the AFP reports.

#### First Ivorian Human Rights League Congress

The First Ivorian Human Rights League Congress (LIDHO) ended in Abidjan on 7 July after asking the government to promote a "true democracy" and to guarantee everyone the right to education and health. LIDHO saluted the advent of a multiparty system and denounced "the appeals to murder and tribalism." The opposition recently accused the PDCI of launching such appeals in several of the country's regions.

The congress asked the government to reorganize the health care system and establish social coverage for everyone, denouncing the "stagnation, even aggravation of the epidemiological situation" in the country. The death rate, according to LIDHO, is greater than 150 per 1,000 for children under five years of age and life expectancy is about 50 years.

LIDHO also hoped that schools and universities would be built. According to the League, 40 percent of the children old enough to attend elementary school do not attend school and only 16 percent of the pupils in seventh grade enter sixth [as published]. The failure and dropout rates in colleges are about 31 and 45 percent, respectively.

Mr. Rene Degni Segui, the dean of the Abidjan Faculty of Law and departing secretary general of LIDHO, was elected president of the latter organization, which was founded in March 1987 and has 126 members.

#### Nigeria

#### \* Program for Future Oil Expansion Announced

90AF0607B London WESI AFRICA in English  
6-12 Aug 90 p 2282—FOR OFFICIAL USE ONLY

[Article: "Hydrocarbons Expansion"]

[Text] Nigeria is to spend about \$7bn over the next 3 years to enhance its hydrocarbon reserves and increase



its production capacity, according to the Minister of Petroleum Resources, Professor Jibril Aminu.

Speaking to journalists at the end of the 87th meeting of the Opec conference in Geneva on 27 July, Professor Aminu announced a new programme aimed at increasing Nigeria's reserves base from 16bn barrels to more than 20bn, with a complementary increase in production capacity from 1.8m to 2.5m barrels a day over 3 years.

#### \* New Leadership in Two Parties Raises Questions

90AF0571A London NEW AFRICAN in English  
Aug 90 p 23—FOR OFFICIAL USE ONLY

[Article by Pini Jason; first paragraph is NEW AFRICAN introduction]

[Text] Nigeria is on the road to democratic, civilian rule with the successful two-party elections to local government and state congresses. But there is confusion over the new leadership. Should newly aspiring-presidents or governors have already stood in the early rounds? Who are the newly emerging leaders anyway? asks Pini Jason.

In the midst of the tension and doubt that followed the abortive coup of 22 April, the reports of the modest success of the elections of leaders of the two government decreed parties, the National Republican Convention (NRC) and the Social Democratic Party (SDP), must be reassuring news to President Ibrahim Babangida.

The success of the elections, when the series began at the ward levels on 26 May, confounded the critics especially those sceptical of the initial dawdling of the National Transition Committee headed by recently retired Air Marshal Ibrahim Alfa.

The committee made up of the National Electoral Commission (NEC), the Directorate of Mass Mobilisation (MAMSER), the National Population Commission (NPC) and the Ministry of Information, appeared unsettled as to what the procedures or the interpretations of several rules were. When they decided that voters were to queue behind their favourite candidates, there was an uproar.

The method, however, worked eliminating possible manipulation of results. Many so-called political heavyweights who hitherto operated in the cities only, were forced to go back to the grassroots to test their popularity. And some were floored at elections where the unemployed, students and even a retired prostitute had an endless queue of supporters winding behind them.

For all those who aspired for party offices, the 26 May election was the starting point. Each local government had at least ten wards to elect a Chairman, Secretary Publicity/Organising Secretary, Treasurer, two ex-officio members and ten delegates to the local government congress. Altogether, each ward produced 16 delegates

who went to the local government on 16 June to elect the party officers and delegates to the state congress.

Only people who were elected from any lower level of the congresses qualified to stand for election at a higher rung, although party officers at the ward level were not allowed to seek election at the higher levels.

When NEW AFRICAN visited the Eti-Osa Local Government area of Lagos to witness the SDP congress, there was a surprising calm. Former political heavyweights and millionaires, like Alhaji Garba Hamza, a sports philanthropist who led one of the 13 dissolved political associations, sat amongst the down-trodden delegates from nearby Maroko ghetto.

As the elections progressed, it became apparent that it was neither the presence of policemen nor the enthusiasm for the new system that accounted for the peaceful atmosphere. Virtually all the candidates won the seats they contested, suggesting that there had been a prior co-operation agreement, or sharing of posts.

#### A Charade

Indeed there were reports of prior zoning of posts among the former associations that composed the new parties, making the elections a mere charade and generating bitterness.

In some bizarre instances people won posts they had no competence for. A rather hilarious case was in ti. Oyun Local Government area in Kwar State where a professional tailor and part-time musician Adesina Ramph Lekan won the post of the legal adviser of the SDP. A retired railway works inspector, Hassan Kafi-Hausa was elected the legal adviser of NRC.

The activities of the banned politicians remained a source of worry to the government. They are still bent on having a controlling finger in the Third Republic. Elections in some local government areas were suspended till after August due to their activities.

Some aspirants to posts like governorship and the presidency, were still confused about the rules. The law said that all those aspiring to be party leaders at any level or delegates to the national convention must start their journey at the ward level.

But what was not clear was whether an aspirant-governor, for example, who did not contest during the elections solely meant to produce party leaders, was disadvantaged. Neither the Transition Committee, NEC nor MAMSER was clear about this during the elections. Thus some aspirants for governorship, legislatures and the presidency offered themselves for the ward elections while others did not.

The committee said that a separate guideline was to be issued for the elective offices, but this was no comfort for some, considering that it had only arrived at the queuing method of ballot at the last minute.

In spite of these problems, the success of the transition programme so far was reassuring also to the "newbreed" politicians who seriously doubted the survival of the Third Republic. It also laid the foundation for the state congress of 7 July and National Convention of 21 July.

Meanwhile, about 95 of the soldiers and civilians, including journalists, detained in the aftermath of the 22 April coup attempt have so far been released, according to a release issued in June by Col Anthony Ukpo, the Principal Staff Officer to President Babangida.

#### \* Soviets Praised for Encouraging Joint Ventures

90AF0524A London WEST AFRICA in English  
5 Aug 90 p 2202—FOR OFFICIAL USE ONLY

[Text] Nigeria's ambassador to the USSR, Mr Alhai Zubeiru M. Kazaure, has praised Nigerian and Soviet partners for using opportunities created by their government's reform programmes to establish joint ventures.

Ambassador Kazaure was speaking at the opening of a new Business Development Centre in Kiev. He described the Centre, an enterprise jointly owned by Nigerian, Soviet and American partners, as a practical achievement of the Nigerian and Soviet governments' objectives of promoting mutually beneficial economic cooperation by encouraging entrepreneurs to form joint ventures with their foreign partners. He invited Ukrainian entrepreneurs to establish manufacturing ventures in Nigeria, assuring them that Nigeria had good markets for agricultural and medical equipment.

Nigerian oil revenue in the first 5 months of the year amounted to \$3.4bn, 67 percent higher than expected in the budget.

### Senegal

#### \* Diouf on Pluralism, Democracy, Border Disputes

90AF0363A Paris JEUNE AFRIQUE in French  
27 Jun 90 pp 24-28—FOR OFFICIAL USE ONLY

[Interview with President Abdou Diouf by Sennen Andriamirado; date and place not given; first eight paragraphs are JEUNE AFRIQUE introduction]

[Text] Abdou Diouf is not talkative. All the less since he is not one of those politicians that journalists like to question. He lacks the "glibness" of some of his opponents, the readymade phrases of someone like Omar Bongo, and the repartee of someone like Mobutu Sese Seko.

It is not that he has nothing to say—oh, quite the contrary!—but his speech is usually linear, well ordered, without harshness, and moderate. Too moderate. Except when he is provoked.

When that happens, he is likely to give way to outbursts of anger or irritation. Then the veneer cracks, and the civilized chief of state reveals himself to be what his

predecessor, Leopold Sedar Senghor, had always suspected: "Be careful! You are going to have some surprises. Abdou Diouf conceals a hand of steel under a velvet glove."

After nine years in power, the Senegalese chief of state, now only 55 years old, is completely white haired. The young man with the youthful if not innocent face carried precariously on his two-meter frame was the constitutional heir apparent who became president of the republic in January 1981, was confirmed in that office by the election of 1983, and was then reelected in 1988. He has become a chief of state with an air that is serious and determined, certainly, but also seemingly disillusioned.

Having become chief of state when the economic crisis was sweeping down on Senegal, Abdou Diouf no longer seems to get much benefit from the four weeks of vacation he forces himself to take every year.

But his opponents are wrong to think that he is a man who gives in. Stubborn according to his opponents and consistent according to his friends, Abdou Diouf certainly knows where he is going, and he says so. He has two immediate obsessions: the strengthening of democracy and the eradication from his own (Socialist) party of "the single-party complex that its members have not lost."

He also cherishes a dream: the setting up of a West African federation that will do away with "our present small states."

Those who daydream are often dangerous: they take the time and the necessary steps to realize their dreams.

[Andriamirado] How do you analyze the changes in the East European countries? Is this "the end of history"? Is it a crisis of society or of ideologies?

[Diouf] If I were speaking as a believer, I would say that the hand of God is in it. Those changes go so far in the right direction and are so greatly desired by the peoples wanting a world governed with justice, freedom, and democracy that they are simply providential.

[Andriamirado] It is too easy to put the whole thing in God's hands! What does Abdou Diouf the chief of state and politician say?

[Diouf] Of course, I am not just a believer. In my opinion, the peoples were ready for change, but a triggering mechanism—a catalyst—was needed. The election of Pope John Paul II was the first such mechanism—the first salutary shock: in his native Poland, which was living under an appalling dictatorship—totalitarian communism—we saw the inexorable rise of the Solidarity movement and all the events that accompanied or followed it.

The second shock was the coming to power in the USSR of Mikhail Gorbachev, who quickly launched perestroika and glasnost. Because of the USSR's international importance, the reforms he started necessarily

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influenced the countries in its bloc. The shockwave swept away ossified regimes and did so all the more easily in that the peoples were living under dictatorships.

[Andriamirado] Did you foresee that that shockwave would reach Africa?

[Diouf] Frankly, no.

[Andriamirado] Was that because you felt that there were no dictatorships in Africa or that Africans were not ready for change?

[Diouf] First of all, I had made it a rule—politically, but not as regards human rights, a subject on which I am intransigent—not to look at what was happening in other African countries. Whenever anyone asked me whether Senegalese democracy might spread to other countries, I invariably answered by telling them not to ask me that question. Senegal has its own experience based on its specific features. And that experience is not a product for export.

[Andriamirado] You could not be intransigent on the subject of human rights and still feign ignorance about what was happening—and is still happening—elsewhere.

[Diouf] I have always given that answer out of respect for the peoples and the leaders they have chosen for themselves. But that has not prevented me from always hoping deep down that Africa, too, would jump on the bandwagon of democracy and freedoms, with respect for human rights and justice.

[Andriamirado] Considering the changes in Ivory Coast, Benin, Zaire, or Gabon, would you say that Africans are burying the single-party system?

[Diouf] The movement is under way, and you cannot stop the sea by raising your hands! I am convinced that chiefs of state who try to oppose the aspirations of the peoples for more freedom and more democracy—and I am talking about pluralist democracy—will be swept aside sooner or later.

[Andriamirado] There is still some resistance, however. Some chiefs of state say they are afraid that the multi-party system will cause a resurgence of ethnic patronage...

[Diouf] (suddenly becoming irritated and raising his hands) Oh no! Don't come around with these old stories about national unity or parties based on ethnic groups or religion! Those dangers exist in every country in the world. One must accept the idea of confronting them and setting up barriers. One cannot hide behind negative arguments to avoid moving toward satisfaction of the aspirations of the peoples!

[Andriamirado] Have some of your comrades in the "trade union of African chiefs of state" consulted you on how to institute a multiparty system?

[Diouf] (smiling) I reject the expression "trade union," but I answer yes to your question.

[Andriamirado] What advice did you give them?

[Diouf] I provided their emissaries with all the documentation I had. I told them about my experience, because democracy is not easy. That is something I learned the hard way. I explained the difficulties, the traps, and the decisions that we had to make or that should be made to prevent democracy from turning into anarchy—to keep it in balance with social peace, civil peace, political peace, and respect for the institutions. I stressed in particular the fact that multiparty democracy does not mean weak institutions.

I have always said that political pluralism must exist in a strong and respected state, otherwise you are headed for anarchy. You know that Senegal experienced a crisis in the growth of democracy between 1988 and 1990.

[Andriamirado] Have you been able to handle it?

[Diouf] The growth crisis has passed, I believe, because the Senegalese people are mature. On the other hand, I am afraid that in response to excesses on the part of a certain type of opposition, the people will finally say: "The president is too democratic; he lets things go. If that is democracy, we don't want any."

[Andriamirado] It is primarily the people who surround you and flatter you who talk like that.

[Diouf] I assure you that many people feel that way. I am walking a tightrope. I must raise the barriers very quickly to keep us from falling into "democratism"—into a caricature of democracy.

[Andriamirado] As president of the republic, do you respect your opponents?

[Diouf] (raising his arm as though in a challenge) I respect all of them!

[Andriamirado] Do you consider them respectable?

[Diouf] (raising the other arm and sinking into his chair) They are not all respectable! There is a certain type of opposition which, because of its excesses, will destroy Senegalese democracy if we are not careful! But there is another kind of opposition that is responsible and credible. There are even some outstanding people—sincere democrats—in the ranks of that irresponsible opposition whose leaders are playing sorcerer's apprentice.

[Andriamirado] Democratic pluralism also implies the possibility of alternation in power...

[Diouf] Of course. It is up to the people to choose the majority that will govern. But (suddenly raising his voice) don't come around talking to me about a "government of national unity"! That makes no sense in Senegal's present situation! Don't anyone talk to me about "national reconciliation"! What national reconciliation? There has not been a war that I know of! In a truly

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democratic regime—in a genuine state of law—we have an interest in seeing to it that there is a majority and an opposition. On the day that everyone agrees with President Abdou Diouf and participates in his government, we will have taken a step backward—we will have gone back to the single party. For my part, I want there to be a majority that governs and an opposition that opposes, but democratically, in an open debate that will benefit the entire country.

[Andriamirado] Some of your opponents feel, however, that it is time to organize a round table to include all the living forces, as has been done in Benin and Gabon.

[Diouf] In some countries, a round table has been organized to get around a single-party situation with illegal opposition groups. It was necessary to sit everyone down around a table to see what kind of new system should be set up as a move toward the multiparty system. We have gotten beyond that in Senegal; we have left that stage far behind. We are in a state of law—in a pluralistic system where everyone expresses himself, as you well know.

[Andriamirado] But the opposition parties do not have access to the state-run media.

[Diouf] (sweeping the air with his hand) Not everything is perfect, but I assure you that things are in the process of getting organized. The opposition must be able to express itself in the media, not through successive professions of faith but in the form of debates bringing together opponents, rulers, representatives of civil society, and so on. That is what will help the Senegalese people understand and act. But again, I am referring to the responsible opposition because, to borrow the words of Saint-Just, I would say: "No liberty for the enemies of liberty!"

[Andriamirado] Saint-Just is not an excellent reference point when it comes to democracy. He may have cursed the Reign of Terror in France, but he still sent his opponents to the scaffold.

[Diouf] I don't share his ideas, and even less his methods! I am simply quoting him. I am saying that when it comes to those who refuse to recognize the institutions of the republic and who send hooligans into the streets, create disorder, reject democracy, refuse to speak the language of responsibility, and are making my people feel disgusted with democracy, well (here hammering out his words), I will not give them the chance to develop their unhealthy ideas in the state media!

[Andriamirado] Don't you think that the multiparty system itself is out of date? Even in Senegal, the parties no longer seem adequate to the task of curbing or channeling frustrations, particularly those of young people. Among the "hooligans" you mentioned, there may be students and unemployed people who don't know where to turn and who are expressing themselves as best they can. There is a fringe of the population that does not feel at home in any of the parties, even the

opposition parties. Isn't that divorce between the political class and public opinion a serious danger for Senegal?

[Diouf] It is a danger in any country in the world. In Europe, when a sizable abstention rate is noted in elections, it is said that public opinion has had enough. It is fed up with the political class. But that can be avoided. The existing frustrations must be understood. That is the task that we in the Socialist Party are going to buckle down to.

[Andriamirado] Let's talk about your party—the Socialist Party, which is the majority in the Assembly and in the government. Some of your supporters like to say that it is "a dinosaur that is sleeping but that may awaken and shake everything up at any moment." I am wondering if your dinosaur may not be a fossil.

[Diouf] We are going to wake it up. It is because of our realization that civil society is increasingly losing interest in politics that we have decided to open up and renovate our own party. We must attract new members to this party, which used to frighten people a little because of its strength but also because of its shortcomings. It has been the government party for so many years that it eventually began to display major shortcomings: blockage, a lack of openness leading to ossification, the forcing of candidates from outside on the voters, and struggles between clans. Basically, the members have not lost their single-party mentality.

[Andriamirado] In short, the establishment of the multiparty system several years ago has not eliminated the single-party complex from your own ranks.

[Diouf] Our members always believed that they were the masters, I admit it. That is unhealthy. It all needs to be changed so as to make our party more attractive in the eyes of those young and not so young members of civil society who once had trouble feeling at home in the Socialist Party. I myself have personal friends who believed in my actions but not in my party. I want the opening up to take place so as to renovate the party and restore people's confidence. All of that will culminate in our upcoming congress (editor's note: from 30 June to 3 July 1990), but even after the congress, we will have to stick with this same dynamic and forge ahead. The party must not close up again like an oyster.

[Andriamirado] Was the departure of your old friend Jean Collin from the government and your party (on 27 March 1990) part of that dynamic of openness and renovation?

[Diouf] No. Minister of State Jean Collin was chairman of the follow-up committee for the renovating congress. He was a reformer—a man of openness. But he decided to retire politically.

[Andriamirado] Did you encourage him to leave?

[Diouf] It was his decision. We agreed on that point, and he left.

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[Andriamirado] Don't you feel somewhat like an orphan now that he is gone?

[Diouf] What do you mean by "orphan"? People have been very mistaken about the nature of my relations with him.

[Andriamirado] That's because you never explained them.

[Diouf] Yes, I did, but people always insisted on hearing what they were already thinking. They read everything through the prism of their own prejudices. People always want to think that every regime has a strong man—a gray eminence—and that the elected president is not the real leader. I assure you that that was not the case. Minister of State Jean Collin was a loyal associate and, moreover, a friend who goes back a long way. When I first started out, I worked under him, and later we always worked together hand in hand.

[Andriamirado] What was the exact reason for his departure: age, or fatigue, or was he fed up?

[Diouf] He was not fed up, and it was not a matter of age. He wanted to do other things and to leave, in complete agreement with me. He had previously expressed a desire to leave, but I had asked him to stay on. This time I could not morally hold him one more time against his will.

[Andriamirado] So a page has been turned in history. There are going to be changes and redeployments within the Socialist Party—an opening up to civil society. Don't you think that an opening up—a redeployment—is also needed at the subregional level?

[Diouf] That is exactly what Senegal is seeking with its neighbors.

[Andriamirado] Pardon me, but I doubt that! Senegal is having maritime border problems with Guinea-Bissau, land border problems with Mauritania, and problems with Cape Verde over airspace. You are quarreling with Gambia. It is fortunate that your problems with Mali have been resolved since 1960 (editor's note: a reference to the breakup of the Mali Federation, which had united Senegal with the former French Sudan, now the Republic of Mali), because you can't get the better of everyone!

[Diouf] (spreading his arms and still smiling) Oh, come on, you know me well enough to know that I am not trying to get the better of everyone! Let us take the dispute with Guinea-Bissau. Even before the award by the Geneva court of arbitration on 31 July 1989, I had decided that if the court decided in Guinea-Bissau's favor, I would tell my brother Nino (editor's note: Bernardo "Nino" Vieira, president of Guinea-Bissau) the very next day to take the disputed area under his jurisdiction. They don't come any more peaceful than me. My compatriots even think that I am too peaceful—too patient. But what do you expect me to do when a country claims a portion of my territory that is administered by Senegal by virtue of the borders inherited from colonization? I tried to make the leaders in Bissau see

reason. They remained obstinate. I agreed to submit the dispute to the court of arbitration, and both parties agreed to enforce that court's decision, regardless of what it was. The court decided in my favor. So it is not Senegal that wants to get the better of everyone: it was Guinea-Bissau that tried to go against what was right.

[Andriamirado] You are also in conflict with Mauritania, Cape Verde, Gambia, and so on.

[Diouf] (visibly annoyed) No, no, no! I will explain to you. If I review what has happened with Mauritania, I find the same problem at the root of the tragic events we have experienced. At the start, there was blatant Mauritanian aggression against Senegalese in Senegalese territory. And that's that! Everyone knows that Senegal is in the right. And what about the border? We are asking simply that the OAU principle concerning the borders inherited from colonization be enforced.

What happened in Gambia's case? We were in a confederation, but who was it that had appealed to the other? In 1981, I lost soldiers—sons of Senegal—to save President Diawara's government. And it was President Diawara who later suggested to me that we form a confederation. The fact is that that confederation was based on a misunderstanding: what Gambia was interested in was the Senegalese military shield.

[Andriamirado] But that was no justification for your not doing anything else.

[Diouf] I suggested monetary integration, among other things. In vain. The Senegambian Confederation was a shaky experiment. It would have been better to put an end to it and save it for later—after our subregion was ready to achieve its political unity.

[Andriamirado] But how can you have a dispute with a country as peaceful as Cape Verde?

[Diouf] Senegal has no disagreements with Cape Verde. There is a problem with the way the airspace is divided up. Cape Verde feels that ASECNA (Agency for Air Navigation Safety in Africa and Madagascar) controls too much airspace from Dakar. But we are discussing the matter before the ICAO (International Civil Aviation Organization); it is much easier to argue with Cape Verde than with certain other states. Cape Verde is a real state of law. Senegal and Cape Verde will accept the international decision. We also had a problem with exclusive economic zones, which both countries had extended to 200 nautical miles in accordance with the new law of the sea. Our two zones overlapped. Well, we decided to share the convergent zone! President Aristides Pereira is a wise man. There is no reason to get worked up.

[Andriamirado] Do you consider yourself a wise man?

[Diouf] (with a burst of laughter) It's not up to me to say. I think I am a level-headed man. I like lawful solutions as much as President Pereira does. In our subregion, the only blockage is with Mauritanian President Ould Taya.

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As serving chairman of the OAU, President Hosni Mubarak recommended solutions that did not really suit me: the resumption of air links and the restoration of diplomatic relations between Senegal and Mauritania, with a summit meeting between the two chiefs of state to be held later. I agreed. President Maaouya Ould Taya refused.

Who or what is President Maaouya Ould Taya afraid of? If we meet, he will have his arguments, I will have mine, and we will talk. I am ready to discuss all the matters that interest Mauritania, but I also want to discuss the matters that interest Senegal.

[Andriamirado] Do you consider settlement of the border dispute to be a precondition for any discussion with your Mauritanian counterpart?

[Diouf] Absolutely not. I say only that the border problem is part of the dispute. I don't exclude even the idea of our going to the International Court of Justice on that matter.

[Andriamirado] The agreement of both parties is required before the matter can be referred to that court.

[Diouf] Anyone who wants what is right should not be afraid to go before the International Court of Justice. I am not afraid. Do you believe it possible that with the year 2000 in sight, citizens can still be deported from their own country?

[Andriamirado] But at a time when, on other continents, people are thinking of joining together, the African states

are shutting themselves up within their tiny borders. Our chiefs of state are behaving like "village chiefs."

[Diouf] For my part, I have always dreamed of a federation of West African states. We will not be able to face the third millenium with our small states: we must unite—we must federate. For the moment, people are not ready for that. But we should at least achieve the subregional economic integration that will lead us to make the leap to political integration in the future.

[Andriamirado] We are a long way from that. The regional economic organizations have been at a virtual standstill for 10 years.

[Diouf] Don't forget that before the Diawara episode, the CEAO (West African Economic Community) was being called a success. Don't forget that before the conflict between Senegal and Mauritania, the OMVS (Senegal River Development Organization) was a model of sub-regional cooperation.

Added to that is the fact that in North Africa, the UMA (Arab Maghreb Union) is arousing a great deal of hope. Economic integration is not a utopian dream. In fact, in my new cabinet, I have appointed a minister in charge of African economic integration. Because I believe in it.

[Andriamirado] That is autosuggestion!

[Diouf] Our only long-term solution is political integration. Let us not shut ourselves up in our villages. After all, Africans are capable of looking ahead, damn it! Let us not shift into reverse at a time when everyone else is moving forward!



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**DATE FILMED**

24 Sept. 1990

